CONFLICTS OF INTEREST POLICY

Identification, prevention, management and disclosure of conflicts

Bursa Prime Ltd. (trading as **BursaPrime**)

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RISK WARNING

> **CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 65% of retail investor accounts lose money when trading CFDs with this provider. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.**

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1. PURPOSE

1.1. This Conflicts of Interest Policy (the "**Policy**") sets out the arrangements established by Bursa Prime Ltd. (the "**Company**", "**we**", "**us**", "**our**") to identify, prevent, manage, monitor, record and, where necessary, disclose conflicts of interest arising in the course of providing investment and ancillary services.

1.2. The Company operates a business model in which certain conflicts of interest are **structural and cannot be eliminated**. The purpose of this Policy is not to claim that no conflicts exist. It is to identify them accurately, to manage them so that they do not operate to the detriment of clients, and to disclose them clearly where management alone is insufficient.

1.3. This Policy is designed to be a working document that reflects how the business actually operates. Where the business changes — new products, new distribution channels, new platform functionality, new group arrangements — this Policy must be reassessed and updated. **A policy that describes a version of the business that no longer exists provides no protection to clients and no defence to the Company.**

1.4. This Policy forms part of the Company's Legal Documentation and should be read together with the Terms and Conditions, the Risk Disclosure, the Order Execution Policy and the Privacy Policy. It supports, and is supported by, the Company's internal Remuneration Policy, Personal Account Dealing Rules, Gifts and Hospitality Policy, Inducements Policy, Product Governance Policy, Outsourcing Policy, Complaints Handling Policy and Whistleblowing Policy.

2. REGULATORY FRAMEWORK

2.1. This Policy is established in accordance with [Applicable Regulations], which in the Company's jurisdiction include [insert as applicable: Article 23 of Directive 2014/65/EU (MiFID II) and Articles 33 to 35 of Commission Delegated Regulation (EU) 2017/565 / the Cyprus Investment Services and Activities and Regulated Markets Law / FCA Principle 8 and SYSC 10 / ASIC RG 181 / the [OFFSHORE REGULATOR] Securities Act and rules made under it].

2.2. Those requirements oblige the Company, in summary, to:

- **(a)** take all appropriate steps to identify and to prevent or manage conflicts of interest between the Company (including its managers, employees, tied agents and any person directly or indirectly linked to it by control) and its clients, and between one client and another;
- **(b)** maintain and operate effective organisational and administrative arrangements with a view to preventing conflicts of interest from adversely affecting the interests of clients;
- **(c)** where those arrangements are not sufficient to ensure, with reasonable confidence, that risks of damage to client interests will be prevented, clearly disclose the general nature and sources of the conflict, and the steps taken to mitigate it, before undertaking business for the client;

- **(d)** keep and regularly update a record of the kinds of service or activity in which a conflict entailing a material risk of damage to client interests has arisen or may arise;
- **(e)** assess and periodically review, at least annually, this Policy and the arrangements established under it, and take appropriate measures to address any deficiencies.

2.3. Disclosure is a measure of last resort. Over-reliance on disclosing conflicts to clients, in place of preventing or managing them, is expressly treated by regulators as a deficiency in the Company's arrangements, not as compliance with them.

2.4. This Policy also takes account of current supervisory priorities. Under the European Securities and Markets Authority's Common Supervisory Action for 2026, coordinated across national competent authorities and implemented in Cyprus through on-site visits and desk-based reviews, supervisors are examining three areas in particular: how staff compensation, bonuses and inducements shape which products are recommended to retail clients; whether digital platforms are designed to steer users towards particular products in ways that do not serve those users; and how firms manage the tension between their own revenue objectives and the needs of retail investors. Sections 9, 10 and 11 of this Policy address those areas directly.

3. SCOPE AND APPLICATION

3.1. This Policy applies to:

- **(a)** the Company and all of its business lines, products and services;
- **(b)** all members of the board of directors, senior management, employees, contractors, secondees, consultants and temporary staff (together, "**Relevant Persons**");
- **(c)** tied agents, introducing brokers, affiliates, marketing partners, content creators and any other person acting for or on behalf of the Company under a contractual arrangement, to the extent provided in that arrangement;
- **(d)** any person directly or indirectly linked to the Company by control, including parent, subsidiary and sister entities within the [GROUP NAME] group;
- **(e)** outsourced service providers, to the extent that the outsourced function may give rise to a conflict.

3.2. This Policy applies in respect of all clients, whether categorised as Retail Clients, Professional Clients or Eligible Counterparties, and in respect of prospective clients.

3.3. Compliance with this Policy is a condition of employment or engagement. Breach may result in disciplinary action up to and including dismissal, termination of the contractual relationship, and — where the conduct so warrants — referral to the relevant regulator or law enforcement authority.

4. DEFINITIONS

Conflict of Interest — a situation in which the Company, a Relevant Person or a person linked to the Company by control has an interest in the outcome of a service provided to a client, or of a transaction carried out on behalf of a client, that is distinct from the client's interest in that outcome, and which entails a material risk of damage to the interests of one or more clients.

A-book — the treatment of client exposure whereby the Company enters into a corresponding transaction with a third-party liquidity provider so that the Company's net market exposure arising from that client position is substantially offset.

B-book — the treatment of client exposure whereby the Company retains the resulting market exposure on its own book without a corresponding external hedge.

Internalisation — the offsetting of one client's exposure against the opposing exposure of one or more other clients, such that the Company's residual net exposure is reduced without recourse to an external hedge.

Inducement — any fee, commission, monetary or non-monetary benefit paid or provided to, or received from, any party other than the client, in connection with the provision of a service to that client.

Relevant Person — as defined in clause 3.1(b).

Register — the Conflicts of Interest Register maintained under Section 16.

Capitalised terms not defined here have the meaning given to them in the Terms and Conditions.

5. WHAT CONSTITUTES A CONFLICT OF INTEREST

5.1. In identifying conflicts, the Company applies the following test. A conflict exists where the Company or a Relevant Person:

- **(a)** is likely to make a financial gain, or avoid a financial loss, at the expense of a client;
- **(b)** has an interest in the outcome of a service or transaction that is distinct from the client's interest in that outcome;
- **(c)** has a financial or other incentive to favour the interest of one client or group of clients over another;
- **(d)** carries on the same business as the client;
- **(e)** receives, or will receive, from a person other than the client an inducement in relation to a service provided to the client, other than the standard commission or fee for that service.

5.2. The mere fact that the Company may make a gain to which there is no corresponding loss for a client, or that a client may make a gain or avoid a loss without a corresponding loss to the Company, does not of itself constitute a conflict. The relevant question is always whether there is a material risk of damage to the client's interests.

5.3. Conflicts may be actual or potential, and may arise between: the Company and a client; a Relevant Person and a client; one client and another client; the Company and a group entity; or the Company and a third party with which it has a commercial relationship.

5.4. A conflict is not managed simply because it has been written down. Identification is the first step; the arrangements described in Section 13 are what determine whether the conflict is actually controlled.

6. GOVERNANCE AND RESPONSIBILITIES

6.1. Board of Directors. The Board owns this Policy. It approves the Policy and each material amendment to it, reviews the Register and the annual conflicts report, satisfies itself that the arrangements described in this Policy operate in practice and not only on paper, and challenges management where identified conflicts appear to be managed by disclosure rather than by control.

6.2. Compliance Officer. The Compliance Officer is responsible for the day-to-day operation of this Policy, including: maintaining the Register; assessing conflicts notified to Compliance; approving or refusing personal account dealing requests, gifts and hospitality, and outside business interests; monitoring the controls described in Section 13; delivering training; investigating breaches; and reporting to the Board at least annually and immediately in the case of a material breach. The Compliance function is independent of the commercial functions and its remuneration is not linked to the Company's trading revenue.

6.3. Risk Management function. Responsible for setting and monitoring the risk parameters governing A-book / B-book allocation, exposure limits and hedging, and for evidencing that those parameters are applied consistently and not adjusted on a client-specific basis for reasons unrelated to risk.

6.4. Heads of Department. Responsible for identifying conflicts arising in their area, escalating them to Compliance without delay, and ensuring that the controls applicable to their area are operated.

6.5. All Relevant Persons. Required to be alert to conflicts, to report actual or potential conflicts to Compliance promptly on becoming aware of them, to comply with the controls that apply to them, and to complete the periodic attestations required under this Policy. **Failure to report a conflict is itself a breach of this Policy.**

6.6. Internal Audit / independent review. [Where applicable:] The effectiveness of the arrangements described in this Policy is subject to independent review at least [annually / every [X] years].

7. IDENTIFICATION OF CONFLICTS — STRUCTURAL AND BUSINESS MODEL

7.1. The Company as principal and sole counterparty

7.1.1. The Company deals on own account and acts as **principal** in every transaction with a client. It does not act as agent, does not transmit client orders to a regulated market for execution in the client's name, and is the sole execution venue for client orders. A client position can only be opened and closed with the Company.

7.1.2. **This is the Company's most significant conflict of interest.** Where the Company retains client exposure on its own book, the Company is the direct counterparty to the client's position and its financial interest is directly opposed to that of the client: the client's loss on that position is the Company's gain, and the client's gain is the Company's loss.

7.1.3. This conflict is inherent to the over-the-counter market-making model and cannot be eliminated. It is managed by the controls in Section 13 and disclosed to clients under Section 15 and in the Risk Disclosure.

7.2. Hybrid A-book / B-book allocation

7.2.1. The Company operates a hybrid model. Depending on the instrument, account type, order size, client trading profile and the Company's prevailing risk parameters, client exposure may be A-booked, B-booked, internalised, or treated on a partial basis combining these approaches.

7.2.2. The conflict arises because the allocation decision is taken by the Company and has a direct effect on the Company's revenue. Specific risks the Company recognises include:

- an incentive to B-book clients assessed as likely to lose and A-book clients assessed as likely to profit;
- an incentive to re-classify a client's treatment following a change in that client's profitability;
- an incentive to apply the allocation methodology inconsistently on a discretionary, client-by-client basis;
- an incentive for the commercial function, rather than the risk function, to influence the allocation.

7.2.3. **The Company does not treat these as theoretical.** They are the specific behaviours the controls at clauses 13.2 and 13.3 are designed to prevent and evidence.

7.3. Revenue model and client outcomes

7.3.1. A material proportion of the Company's revenue derives from spreads, mark-ups, commissions, overnight financing and the net result of positions retained on its own book. Each of these increases with client trading volume and with the duration for which leveraged positions are held.

7.3.2. This creates a structural tension between the Company's revenue objectives and the interests of clients who may be better served by trading less frequently, using lower leverage, or not trading at all. The Company recognises that this tension exists at the level of the business model and not merely at the level of individual employee behaviour, and addresses it through the controls in Sections 13.4, 13.5 and 13.7.

8. IDENTIFICATION OF CONFLICTS — PRICING, EXECUTION AND RISK MANAGEMENT

8.1. Price construction, spreads and mark-ups

8.1.1. The Company constructs the prices quoted on its platforms by reference to feeds received from third-party liquidity and data providers, and applies a spread and, on certain account types, a mark-up. The Company exercises discretion over the size of that spread and mark-up and over the circumstances in which spreads are widened.

8.1.2. **Conflict:** an incentive to widen spreads beyond what underlying market conditions justify, to apply asymmetric mark-ups, or to construct prices in a way that increases the probability of stop-loss or stop-out triggers.

8.2. Order handling, rejection, requoting and manual intervention

8.2.1. The Company may reject orders, issue requotes, or execute orders manually rather than automatically in defined circumstances.

8.2.2. **Conflict:** an incentive to apply these mechanisms asymmetrically — for example, rejecting or requoting orders that would be unprofitable for the Company while filling those that would be profitable, or intervening manually in the orders of consistently profitable clients.

8.3. Slippage

8.3.1. Slippage may be positive or negative to the client.

8.3.2. **Conflict:** an incentive to pass on negative slippage in full while retaining the benefit of positive slippage, or to configure execution parameters so that the distribution of slippage is systematically unfavourable to clients.

8.4. Margin, leverage and stop-out parameters

8.4.1. The Company sets leverage limits, margin requirements and stop-out thresholds, and may vary them, including in respect of open positions.

8.4.2. **Conflict:** an incentive to offer leverage levels that generate revenue but expose clients to disproportionate risk of total loss; or to adjust margin or leverage parameters in a manner or at a time calculated to trigger stop-outs on positions retained on the Company's own book.

8.5. Swap rates, financing and corporate action adjustments

8.5.1. The Company determines the swap rates, financing charges and dividend and corporate action adjustments applied to client positions.

8.5.2. **Conflict:** an incentive to set these rates or adjustments on terms more favourable to the Company than the underlying economics require, or to apply them asymmetrically between long and short positions.

8.6. Liquidity provider selection

8.6.1. The Company selects and reviews the liquidity providers from which it sources prices and with which it hedges.

8.6.2. **Conflict:** an incentive to select a provider on the basis of commercial terms offered to the Company, including rebates or volume-based incentives, rather than on the basis of execution quality delivered to clients; and a heightened conflict where a provider is a related party (see clause 12.2).

9. IDENTIFICATION OF CONFLICTS — PRODUCT, PLATFORM AND DIGITAL ENGAGEMENT

> **This Section addresses conflicts arising from product design and from the design of the Company's digital platforms. Supervisory reviews have found this to be the weakest area of conflicts frameworks across the sector, with the large majority of policies making no reference to it at all. It is included here deliberately and in detail.**

9.1. Product governance and design

9.1.1. Decisions on which instruments to offer, the maximum leverage available on each, contract sizes, and the identification of the target market for each product are commercial decisions taken by the Company.

9.1.2. **Conflict:** an incentive to offer high-volatility, high-leverage or high-margin instruments that generate greater revenue per client, notwithstanding a poorer expected outcome for the target market; or to define the target market too broadly in order to widen the addressable client base.

9.2. Platform interface and default settings

9.2.1. **Conflict:** the design of the trading platform, client portal and mobile application can influence client behaviour independently of any recommendation. Specific sources of conflict include:

- **default settings** for leverage, order size, order type or risk controls that favour higher exposure;
- the **ranking, ordering and prominence** of instruments in watchlists, search results, "popular" or "trending" lists, and promoted categories;
- the presentation of **prices, charts and performance data** in ways that emphasise potential gains over potential losses;
- **friction asymmetry**, where opening a position requires fewer steps or fewer confirmations than closing one, or where deposit journeys are materially smoother than withdrawal journeys;
- the placement, framing and default state of **risk warnings, appropriateness prompts and confirmations**.

9.3. Notifications, gamification and engagement mechanics

9.3.1. **Conflict:** push notifications, in-app messages, price alerts, streaks, badges, leaderboards, countdown timers, celebratory animations and similar engagement mechanics can be deployed to increase trading frequency in the Company's revenue interest rather than in the client's interest. This applies with particular force to clients who have recently sustained losses.

9.4. Personalisation, targeting and models

9.4.1. **Conflict:** where the Company uses client data, segmentation or predictive models to determine which communications, offers, instruments or platform experiences a client receives, those models may be optimised for revenue rather than for client outcomes — and may, without deliberate intent, direct the most intensive engagement towards the most vulnerable clients.

10. IDENTIFICATION OF CONFLICTS — DISTRIBUTION, INDUCEMENTS AND THIRD PARTIES

10.1. Introducing brokers and affiliates

10.1.1. The Company may remunerate introducing brokers and affiliates on a cost-per-acquisition basis, a revenue-share basis, a volume-based basis, or a combination.

10.1.2. **Conflict:** volume- and revenue-share arrangements give the introducing party a direct financial interest in the client trading more frequently, in larger size, or with higher leverage than is in the client's interest. Revenue-share models tied to the Company's net trading result additionally give the introducing party an interest in the client **losing money**. Further risks include unauthorised advice, misleading marketing, and the introducing party exercising informal influence over client trading decisions.

10.2. Content creators, finfluencers and marketing partners

10.2.1. The Company may engage or be promoted by content creators, social media personalities and similar third parties.

10.2.2. **Conflict:** such parties may present promotional content as independent opinion, may not disclose the commercial relationship, may make performance claims the Company cannot substantiate, may present trading as low-risk or as a reliable income source, and may effectively provide investment advice without authorisation. The Company's commercial interest in the acquisition volume these channels generate creates an incentive to apply weaker oversight to them than to its own marketing.

10.3. Copy trading, signal providers and money managers

10.3.1. **Conflict:** strategy providers and money managers may be remunerated by reference to the volume or number of trades generated across follower accounts, giving them an incentive to over-trade. Where the Company retains exposure to follower positions on its own book, the Company additionally has an interest in the aggregate outcome of a strategy that it also makes available and promotes. Prominence given to particular strategy providers within the platform is itself a form of steering (see clause 9.2).

10.4. Bonuses, promotions and rebates

10.4.1. **Conflict:** deposit bonuses, rebates, cashback, trading competitions and loyalty schemes may encourage clients to deposit more than they can afford to lose or to trade in order to satisfy volume-based release conditions. Trading competitions in particular reward risk-taking behaviour that is generally inconsistent with the interests of the participants.

10.4.2. [Note: monetary and certain non-monetary benefits to retail clients are prohibited or restricted in a number of jurisdictions. Where the Company is subject to such a restriction, this clause is superseded by that prohibition.]

10.5. Payment providers and outsourced service providers

10.5.1. **Conflict:** commercial terms, rebates or ownership interests may influence the selection of payment service providers, technology vendors, platform providers, verification providers or other outsourced suppliers, in preference to the quality, cost or security of the service received by clients.

11. IDENTIFICATION OF CONFLICTS — PERSONNEL

11.1. Remuneration of staff

11.1.1. **Conflict:** remuneration, bonuses, commissions, targets, sales contests and progression criteria linked to client deposit volumes, trading volumes, client retention, or the Company's net trading result create a direct incentive for staff to act contrary to the interests of clients — including by encouraging clients to deposit further funds, to increase leverage, to resume trading after losses, or to withdraw a pending withdrawal request.

11.1.2. This is one of the three specific areas under active supervisory review across the EU in 2026 and is treated by the Company as a high-priority conflict.

11.2. Retention and "save the client" practices

11.2.1. **Conflict:** where staff are measured on retention, redeposits or the reversal of withdrawal requests, they have an incentive to discourage clients from withdrawing funds or closing accounts, to offer incentives conditional on further trading, or to contact clients at moments of financial distress.

11.3. Unauthorised advice and trading recommendations

11.3.1. **Conflict:** the Company provides an execution-only service. Client-facing staff, introducing brokers and affiliates may nonetheless be tempted to give trading suggestions or opinions, particularly where their remuneration depends on client activity. Any such conduct is prohibited.

11.4. Personal account dealing

11.4.1. **Conflict:** Relevant Persons may hold accounts with the Company or with other providers and may have access to information about client order flow, aggregate positioning, pending large orders, forthcoming changes to instrument availability, margin requirements or platform functionality. Trading on such information — or trading ahead of, alongside, or against client orders — would damage client interests and may constitute market abuse.

11.5. Gifts, hospitality and inducements received by staff

11.5.1. **Conflict:** gifts, entertainment, hospitality or other benefits offered to Relevant Persons by liquidity providers, technology vendors, payment providers, introducing brokers or clients may influence, or appear to influence, decisions taken on behalf of the Company or its clients.

11.6. Outside business interests and directorships

11.6.1. **Conflict:** external employment, consultancy, directorships, shareholdings or family relationships may compete with a Relevant Person's duties to the Company or align their interests with those of a counterparty, supplier, introducing broker or client.

11.7. Handling of complaints and disputes

11.7.1. **Conflict:** staff responsible for investigating complaints — particularly complaints concerning execution quality, slippage, requotes, stop-outs, platform failures or withdrawals — have an institutional interest in the outcome. The conflict is acute where the same individuals or department are responsible both for the conduct complained of and for its investigation.

12. IDENTIFICATION OF CONFLICTS — CORPORATE, RELATED PARTIES AND CLIENT-TO-CLIENT

12.1. Group arrangements. Where the Company forms part of a wider group, conflicts may arise from intra-group service agreements, transfer pricing, shared personnel, shared systems, the routing of client business between group entities operating under different regulatory regimes, and pressure to meet group-level financial targets.

12.2. Related-party counterparties and suppliers. Where a liquidity provider, technology provider, payment provider, introducing broker or affiliate is under common ownership or control with the Company, or is owned by a director, shareholder or Relevant Person, the arm's-length character of the arrangement cannot be assumed and the conflict is heightened.

12.3. Ownership and shareholder interests. Shareholders may exert pressure for short-term revenue outcomes that conflict with the fair treatment of clients.

12.4. Conflicts between clients. Because the Company internalises exposure, one client's position may be offset against that of another. Conflicts between clients may also arise in the allocation of scarce liquidity, in the treatment of clients of differing commercial value, and in the differential application of trading conditions or restrictions.

12.5. Regulatory reporting and self-reporting. The Company has an institutional interest in the outcome of matters it is required to report to its regulator. Reporting obligations are owned by the Compliance function and are not subject to commercial override.

13. MEASURES TO PREVENT AND MANAGE CONFLICTS

The Company maintains the following organisational and administrative arrangements. Each is owned by a named function and is subject to monitoring and periodic testing.

13.1. Organisational independence and information barriers

- Separate reporting lines and supervision for functions whose interests may conflict, in particular between the Risk/Dealing function, the Sales and Retention function, and the Compliance function.
- Access controls restricting client-level information — including aggregate positioning, profitability data and pending order information — to those with a legitimate operational need.
- Physical, systems-based and procedural information barriers, calibrated to the size of the Company. Where the Company's scale does not permit full physical separation, this is documented, and compensating controls (access restriction, logging, enhanced supervision) are applied and evidenced.
- No Relevant Person is involved in supervising or assessing their own work where a conflict arises.

13.2. Governance of A-book / B-book allocation

- The allocation methodology is **documented, rule-based and approved by the Board**, and is applied by the Risk Management function according to defined parameters rather than case-by-case commercial judgement.
- Allocation parameters are set by reference to risk criteria (instrument, exposure concentration, order size, aggregate net position, hedging capacity) and **not by reference to the identity or expected profitability of an individual client**.

- Changes to a client's or a segment's allocation treatment require documented justification, are approved at the level of the Risk function independently of the commercial functions, and are logged.
- The Sales, Retention and Marketing functions have no authority over allocation decisions and no access to allocation settings.
- Compliance reviews a sample of allocation decisions and changes at least [quarterly] and reports findings to the Board.

13.3. Execution quality monitoring

- Systematic monitoring of the **symmetry of slippage** (positive versus negative) at instrument, account-type and client level.
- Monitoring of rejection rates, requote rates, execution speed and instances of manual intervention, with exception reporting where these differ materially between client segments — in particular between consistently profitable and consistently unprofitable clients.
- Periodic comparison of the Company's quoted prices and spreads against independent market references.
- Manual intervention in execution requires a recorded reason and is subject to four-eyes review.
- Findings are reported to the Board at least annually and inform the review of the Order Execution Policy.

13.4. Remuneration controls

- The Company's Remuneration Policy prohibits linking the variable remuneration of client-facing staff to the Company's net trading result against clients, to client losses, or to any measure that rewards the retention of client funds against a client's expressed wishes.
- Variable remuneration incorporates qualitative and conduct-based criteria, including complaint outcomes, compliance findings and appropriateness-assessment quality.
- Compliance, Risk and Internal Audit remuneration is independent of the commercial performance of the areas they oversee.
- The Remuneration Policy is reviewed at least annually against this Policy, and remuneration arrangements are documented in sufficient detail to be produced to a supervisor on request.

13.5. Sales, retention and communications controls

- Recording and monitoring of client communications across all channels, with sample review by Compliance.
- Scripts and approved messaging for client-facing staff; a prohibition on giving investment advice, opinions or trading suggestions; and a prohibition on guaranteeing or implying any level of return.
- Defined restrictions on contacting clients who have sustained significant losses, who have requested a withdrawal, or who have indicated financial difficulty or vulnerability.
- Withdrawal requests are processed by a function operationally independent of Sales and Retention, and may not be delayed, discouraged or made conditional on further trading.

13.6. Inducements, gifts and hospitality

- Relevant Persons may not solicit or accept any inducement intended to influence the conduct of business in a manner detrimental to a client or favouring one client over another.
- Gifts and hospitality above [AMOUNT/CURRENCY] must be pre-approved by Compliance; all gifts and hospitality given or received above [AMOUNT/CURRENCY] must be recorded in the **Gifts and Hospitality Register**, which Compliance reviews at least [quarterly] for patterns indicating undue influence.

- Cash, cash-equivalents, and the financing of personal or business expenditure may not be accepted in any amount.
- Inducements paid to or received from third parties in connection with client services are assessed against the applicable quality-enhancement and disclosure requirements and are recorded.

13.7. Product and platform governance

- New products, new instruments, material changes to leverage or contract specifications, and material changes to platform functionality are subject to approval by a product governance forum that includes Compliance and Risk.
- **Platform and interface changes are assessed for conflict implications before release**, including default settings, ranking and prominence logic, notification strategy, engagement mechanics, and the relative friction of opening versus closing positions and depositing versus withdrawing.
- Where personalisation, segmentation or predictive models influence what a client sees, the optimisation objective of those models is documented and reviewed by Compliance, and models are tested for adverse effects on identifiable client segments.
- Records of these assessments are retained and are producible to a supervisor.

13.8. Third-party distribution controls

- Due diligence before onboarding any introducing broker, affiliate, content creator or marketing partner, including identity, regulatory status, jurisdiction and prior conduct.
- Written agreements requiring compliance with applicable marketing and advertising rules, prohibiting the provision of investment advice, prohibiting performance guarantees, and requiring clear disclosure of the commercial relationship.
- Ongoing monitoring of third-party marketing material, websites and social media content, with a documented take-down and termination process.
- Remuneration structures for third parties are reviewed against this Policy; where a structure creates an incentive misaligned with client interests, it is modified or the relationship is not entered into.
- A register of all introducing brokers, affiliates and content creators, and of their remuneration basis, is maintained and reviewed at least annually.

13.9. Personal account dealing

- Relevant Persons must disclose all trading accounts, whether held with the Company or elsewhere, and obtain pre-clearance for personal transactions in [defined instrument categories].
- Prohibitions on: dealing on the basis of non-public information concerning client order flow, aggregate positioning or forthcoming changes to trading conditions; dealing ahead of or against client orders; and dealing during defined restricted periods.
- Periodic (at least [quarterly]) attestations, including nil returns, and monitoring of disclosed accounts by Compliance.

13.10. Outside business interests

- Prior written approval required for outside employment, consultancy, directorships and material shareholdings in entities operating in, or supplying to, the Company's sector.
- Disclosure of close personal or family relationships with counterparties, suppliers, introducing brokers or clients.

- Maintained in the Outside Interests Register and reviewed at least annually.

13.11. Complaints handling independence

- Complaints are investigated by a function independent of the department whose conduct is complained of, and are never investigated by the individual concerned.
- Complaints are recorded centrally, root-cause analysis is performed, and thematic findings are reported to the Board.
- Complaint outcomes feed into the review of this Policy and of the Order Execution Policy.

13.12. Client categorisation and appropriateness

- Requests for re-categorisation from Retail to Professional are assessed by Compliance against the applicable quantitative and qualitative criteria, and may not be initiated, encouraged or facilitated by staff whose remuneration depends on the client's subsequent activity.
- Appropriateness assessments are subject to quality review; the outcome of an assessment may not be influenced by commercial considerations, and warnings issued to clients may not be undermined by subsequent contact.

13.13. Related-party arrangements

- All arrangements with related parties are documented, approved by the Board with any conflicted director abstaining, benchmarked to arm's-length terms where practicable, and recorded in the Register.

14. DECLINING TO ACT

14.1. Where the Company concludes that the arrangements described in this Policy are not sufficient to ensure, with reasonable confidence, that the risk of damage to a client's interests will be prevented, and that disclosure would not be an adequate alternative, **the Company will decline to act**.

14.2. Declining to act may include: refusing to onboard a client or a category of client; refusing to offer a particular product or service; refusing to enter into or continue a relationship with an introducing broker, affiliate, content creator or supplier; withdrawing a platform feature; or terminating an existing arrangement.

14.3. Decisions to decline to act are taken by [the Compliance Officer / the Board] and recorded in the Register together with the reasoning.

15. DISCLOSURE TO CLIENTS

15.1. Where a conflict cannot be prevented or adequately managed, the Company will disclose to the client, on a durable medium and before undertaking the relevant business, sufficient detail to enable the client to take an informed decision. Disclosure will describe:

- **(a)** the general nature and the sources of the conflict;
- **(b)** the risks to the client arising from it;
- **(c)** the steps the Company has taken to mitigate those risks.

15.2. Disclosure will be specific rather than generic. **A statement that conflicts "may arise" is not adequate disclosure** where the Company knows that a particular conflict does arise.

15.3. The structural conflict described in Section 7 is disclosed to all clients in the Risk Disclosure, in the Order Execution Policy and in Annex II to this Policy.

15.4. The Company does not treat disclosure as a substitute for prevention or management, and does not rely on disclosure where an effective control is available.

15.5. This Policy is published on the Company's website at [URL]. A copy is provided to each client before the commencement of the business relationship and, on request, at any time free of charge. Clients may request further detail about this Policy by contacting [COMPLIANCE EMAIL].

16. CONFLICTS OF INTEREST REGISTER

16.1. The Company maintains a Register recording the kinds of investment or ancillary service carried out by or on behalf of the Company in which a conflict entailing a material risk of damage to the interests of one or more clients has arisen, or — in the case of an ongoing service or activity — may arise.

16.2. For each entry the Register records, at minimum: a unique reference; the date identified and the person identifying it; a description of the conflict and its source; the parties whose interests are affected; an assessment of the risk of damage to clients; the control measures applied; whether disclosure was made and in what form; the owner of the control; the date of last review; and the current status.

16.3. Entries are made by Compliance on notification by any Relevant Person, on identification through monitoring, or on identification through the Board's or Compliance's own review.

16.4. The Register is reviewed by Compliance at least [quarterly] and presented to the Board at least annually. **An unchanged Register over an extended period is treated as an indicator that identification is not functioning, not as evidence that no conflicts have arisen.**

16.5. A template Register is set out at Annex I.

17. RECORD-KEEPING

17.1. The Company retains, for at least [five (5) years / the period required by Applicable Regulations] and in a form that is readily accessible and producible to the regulator:

- this Policy and all prior versions, with a record of what changed, when, why, and who approved it;
- the Register and all prior states of it;
- the Gifts and Hospitality Register, the Personal Account Dealing records, the Outside Interests Register and the register of introducing brokers, affiliates and content creators;
- records of A-book / B-book allocation parameters and of all changes to them;
- execution quality monitoring outputs, including slippage symmetry analysis;
- product and platform conflict assessments;
- training records and periodic attestations;
- records of conflicts disclosed to clients and of decisions to decline to act;
- minutes of Board and committee consideration of conflicts matters.

17.2. Version history is substantive, not cosmetic. A change of version number or date without a corresponding change of substance does not constitute a review for the purposes of this Policy.

18. TRAINING AND AWARENESS

18.1. All Relevant Persons receive training on this Policy on joining and at least annually thereafter. Training is role-specific: dealing, sales and retention, marketing, product and platform, and complaints-handling personnel receive content addressing the conflicts specific to their function.

18.2. Training covers the identification test at Section 5, the obligation to report, the controls applicable to the individual's role, and the consequences of breach. Completion is recorded.

18.3. Relevant Persons confirm in writing, at least annually, that they have read and understood this Policy and have disclosed all matters required to be disclosed under it.

19. BREACHES, ESCALATION AND WHISTLEBLOWING

19.1. Any actual or suspected breach of this Policy, and any actual or potential conflict, must be reported to the Compliance Officer without delay.

19.2. Compliance investigates, determines the remedial action required, assesses client detriment and whether redress is due, and determines whether the matter is reportable to the regulator.

19.3. Material breaches are reported to the Board immediately and are recorded in the Register.

19.4. Relevant Persons may raise concerns confidentially and, where permitted, anonymously under the Company's Whistleblowing Policy. **The Company prohibits retaliation of any kind against a person who raises a concern in good faith.**

20. REVIEW AND APPROVAL

20.1. This Policy is reviewed by Compliance and approved by the Board **at least annually**, and additionally whenever:

- the Company introduces a new product, service, platform feature or distribution channel;
- the Company's execution or risk management model changes, including any change to the A-book / B-book methodology;
- a new group entity, related-party arrangement or material outsourcing arrangement is established;
- a material breach, complaint theme or regulatory finding indicates a deficiency;
- Applicable Regulations or supervisory expectations change.

20.2. Each review assesses not only whether the Policy is complete, but **whether the arrangements it describes are actually operating**. Where they are not, the deficiency is recorded and remediated, and the Board is informed.

20.3. The reviewer records what was assessed, what evidence was examined, what was found, and what changed as a result.

21. CLIENT RIGHTS, COMPLAINTS AND CONTACT

21.1. Clients are entitled, on request, to further details of this Policy in a durable medium.

21.2. Clients who believe that a conflict of interest has operated to their detriment may complain in accordance with the Company's Complaints Handling Policy, available at [URL].

- **Compliance Department:** [COMPLIANCE EMAIL]
- **Complaints:** [COMPLAINTS EMAIL]
- **Address:** [REGISTERED ADDRESS]
- **Telephone:** [PHONE]

21.3. If the client is not satisfied with the Company's final response, the client may be entitled to refer the complaint to [OMBUDSMAN / REGULATOR / ADR BODY], [contact details].

Document control

Owner	Compliance Department
Version	1.0
Approved by	[Board of Directors], [DATE]
Next review	[DATE] — at least annually
Related documents	Terms and Conditions; Risk Disclosure; Order Execution Policy; Privacy Policy; Remuneration Policy; Personal Account Dealing Rules; Gifts and Hospitality Policy; Inducements Policy; Product Governance Policy; Outsourcing Policy; Complaints Handling Policy; Whistleblowing Policy

ANNEX I — CONFLICTS OF INTEREST REGISTER (TEMPLATE)

Field	Content
Reference	COI-[YYYY]-[NNN]
Date identified	
Identified by	
Category	Structural / Pricing & execution / Product & platform / Distribution & inducements / Personnel / Corporate & related party / Client-to-client
Description of conflict	
Source of conflict	
Parties affected	
Risk of damage to clients	High / Medium / Low — with reasoning
Prevention or management measures	
Control owner	
Disclosure made	Yes / No — if yes, where and when
Decision to decline to act	Yes / No — if yes, reasoning
Date of last review	
Reviewer	

Status	Open / Managed / Closed

ANNEX II — CLIENT-FACING SUMMARY DISCLOSURE

The following summary may be published on the Company's website and provided to clients alongside the Terms and Conditions.

How we manage conflicts of interest

We act as principal in every transaction with you. We are your counterparty and the only place your position can be opened and closed. We do not act as your agent and we do not give investment advice.

Depending on the instrument, your account type, the size of your order and our risk parameters at the time, we may hedge the exposure created by your position with an external liquidity provider, offset it against the positions of other clients, or keep it on our own book. **Where we keep it on our own book, we are on the other side of your trade: if you lose money on that position, we gain, and if you make money, we lose.** This is inherent to how over-the-counter derivatives work. We do not tell clients how any individual order has been treated.

We set the prices, spreads and mark-ups you trade on, the swap rates you pay, the leverage available to you and the level at which your positions are automatically closed. We may reject orders and, in defined circumstances, execute them manually.

We pay introducing brokers, affiliates and marketing partners for introducing clients to us, and the amount we pay may depend on how much those clients trade or deposit.

To manage these conflicts we separate our risk, sales and compliance functions; apply a documented, rule-based method for deciding how exposure is treated, which is not based on how profitable an individual client is; monitor whether slippage, rejections and requotes fall symmetrically across client groups; prohibit staff remuneration linked to client losses or to keeping client funds against a client's wishes; assess platform changes for their effect on client outcomes before release; monitor the marketing carried out by our partners; and maintain registers of conflicts, gifts, personal account dealing and outside interests, reviewed by Compliance and reported to our Board.

Our full Conflicts of Interest Policy is available at [URL]. You can request further detail at any time, free of charge, at [COMPLIANCE EMAIL].

APPENDIX — DRAFTING NOTES

Remove this appendix before publication. It is guidance for you and your legal counsel, not client-facing content.

A. Why this draft is longer and more specific than most competitor policies

Most CFD broker conflicts policies in the market are short, generic and structurally out of date. That is not a stylistic observation — it is a documented supervisory finding. A 2026 review of 154 CySEC-regulated forex and CFD firms against 45 conflict-of-interest controls found policies that had not moved in substance for years, including one major firm whose policy had not been meaningfully updated in a decade. Coverage of affiliate models, introducing brokers and influencer channels scored between 1 and 1.5 out of 3. Digital platform conflicts scored 0.33 out of 3 — the weakest category of all — with 90% of policies making no acknowledgement that product ranking, default settings, push notifications and interface design can create conflicts between a firm's commercial interests and client outcomes.

That matters now because CySEC has committed to on-site visits and desk-based reviews under ESMA's CSA 2026, and the standard being applied is whether the written policy reflects how the firm actually operates — not whether a document exists. Copying a competitor's policy is therefore the highest-risk option available: you would be copying the exact defects supervisors are looking for.

B. The three CSA 2026 focus areas and where they sit in this draft

1. *Staff compensation, bonuses and inducements shaping what is recommended* → Sections 11.1, 11.2, 13.4, 13.6.
2. *Digital platforms designed to steer users* → Section 9 in full, plus control 13.7.
3. *Tension between firm revenue and retail investor needs* → Sections 7.3, 10.4, 13.5.

If you are going offshore rather than into the EU, none of this is legally binding on you. I would still keep it. Payment providers, liquidity providers, banking partners and any future EU or UK licence application will all look at this document, and a modern one is a commercial asset.

C. The clauses that will bite hardest operationally

These are the ones that commit you to doing something, not just saying something. Decide now whether you can actually deliver them, because a control described in a policy and not operated is worse than no policy at all — it converts a governance gap into a misrepresentation.

- **13.2** — a documented, Board-approved, rule-based A/B-book methodology, with Sales having no access to allocation settings and Compliance sampling allocation changes. This is the single most consequential commitment in the document and directly underpins clause 12.4 of your Risk Disclosure ("you will not be notified of the treatment applied to any individual order"). That clause is defensible only if 13.2 is real.
- **13.3** — slippage symmetry monitoring segmented by client profitability. You need the data infrastructure to produce this.
- **13.4** — no variable remuneration linked to client losses or to reversing withdrawal requests. If your retention comp plan currently works that way, this clause and the plan cannot both survive.
- **13.5** — withdrawals processed independently of Sales and Retention.

- **13.7** — conflict assessment of platform/UX changes before release. This puts Compliance in your product release path.

D. Alignment with the Risk Disclosure already drafted

Section 7.1 and 7.2 here are the operational counterpart to Section 12 of the Risk Disclosure. The wording was written to be consistent — same three treatment options (A-book, B-book, internalisation), same statement of opposed interest, same reservation of discretion. If you edit one, edit both. Annex II is deliberately drafted as a plain-English version of the same disclosure so you have something usable for the website footer or the onboarding flow.

E. Placeholders requiring a decision

Gift and hospitality thresholds (13.6); review frequencies currently shown as [quarterly]; record retention period (17.1); whether decisions to decline to act sit with the Compliance Officer or the Board (14.3); whether bonuses and trading competitions will be offered at all (10.4 — prohibited for retail clients in the EU and UK); and whether an Internal Audit function exists (6.6).

F. Legal review

I am not a lawyer and this is not legal advice. This is a well-researched starting point reflecting current market practice and current supervisory priorities, not a document to publish as-is. It requires review by counsel qualified in your chosen jurisdiction, and in several regimes client-facing documentation is reviewed by the regulator during licensing.