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# CONFLICTS OF INTEREST POLICY

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### 1. INTRODUCTION

1.1. Hextra Prime is a Securities Service Provider Licensee regulated and authorized by the Financial Services Authority in Saint Vincent & the Grenadines under the License Number: 25989 BC 2020 (hereinafter called the "Company").

1.2. When offering investment services and other ancillary services related to such services, the Company needs to comply with the relevant laws and regulations.

1.3. The Organization is expected to take all appropriate steps to recognize and prevent conflicts of interest and to offer its Conflicts of Interest Policy (the "Policy") to its customers. The Company is committed to behaving honestly, reasonably and responsibly and in the best interests of its consumers and, in particular, to compliance with the standards laid down in the laws and regulations in place.

### 2. PURPOSE AND SCOPE

2.1. The aim of this document is to develop the approach of the Organization to the identification and management of conflicts of interest that may occur during the course of its business activities.

2.2. The Company has taken all appropriate steps to identify and prevent or manage conflicts of interest that may arise between the Company, including its directors, managers, employees and any person directly or indirectly linked by control to the Company and its customers or between one customer and another arising in the course of the provision of any investment and ancillary services or combinations of such services. This Policy shall therefore lay down the necessary procedures, controls and practices in place to ensure that any conflict of interest is identified, prevented or properly managed.

2.3. In the event that the measures taken by the Company to prevent conflicts of interest from adversely affecting the interests of its customers are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the customer are avoided, the Company shall clearly disclose to the customer, on a sustainable basis, the general nature and sources of conflicts of interest as well as the risks to the customer's interests. Such disclosure shall be a measure of last resort and shall include sufficient detail, taking into account the characteristics of the client to enable that client to take an informed decision with respect to the service in the context of which the conflict of interest arises.

2.4. The disclosure shall clearly state that the organizational and administrative arrangements set up by the investment firm to prevent or manage such conflicts are not sufficient to ensure that the risks of damage to the client's interests are avoided with reasonable confidence. The disclosure shall include a specific description of the conflicts of interest arising from the provision of investment and/or ancillary services, having regard to the nature of the customer to whom the disclosure is made. The description shall explain the general nature and sources of conflicts of interest, as well as the risks to the client that arise as a result of the conflicts of interest and the steps undertaken to mitigate these risks, in sufficient detail to enable that client to take an informed decision with respect to the investment or ancillary service in the context of which the conflicts of interest arise.

2.5. The Policy applies to all directors, staff, persons directly or indirectly linked to the Company (hereinafter referred to as "related persons") of the Company and refers to all interactions with all customers.

### 3. IDENTIFICATION OF CONFLICT OF INTERESTS

3.1. For the purpose of identifying the types of conflicts of interest arising in the course of the provision of, or a combination of, investment and ancillary services and the existence of which may be detrimental to the interests of the client, the Company shall, by minimum criteria, take into account whether the Company or the person concerned is in any of the following situations:

- a) The Company or relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- b) 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; c) The Company or relevant person has a financial or other incentive to favor the interest of another client or group of clients over the interests of the client;
- d) The Company or relevant person carries out the same business as the client;
- e) 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. PROCEDURES AND CONTROLS TO MANAGING CONFLICTS OF INTERESTS

4.1. This Policy includes the following content:

- a) identifies, with reference to the specific investment services and activities and ancillary services carried out by or on behalf of the Company, the circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more clients; and
- b) specifies procedures to be followed and measures to be adopted in order to prevent or manage such conflicts.

4.2. Generally, the procedures and controls followed by the Company to manage the conflicts of interest identified include, but are not limited to, the following measures:

- a) 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;
- b) 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;
- c) 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;
- d) 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; and
- e) measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services. Such measures include, but are not limited to, the following:
  - 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 company, 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 Company'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.
- Organizational and administrative arrangements to limit the conflict of interest arising from the giving and receiving of inducements.

4.3. In order to ensure that internal controls to prevent or manage conflicts of interest are appropriate, the Company also undertakes ongoing monitoring of business activities.

4.4. It is the responsibility of the Compliance Department to identify and manage potential conflicts of interest and to report directly to the Board of Directors and Senior Management in relation to the latter. The Compliance Department will also update and ensure compliance with the relevant internal procedures.

## 5. DISCLOSURE

5.1. If a dispute arises and the Company is aware of it, it will disclose the dispute to the customer prior to the investment business for that customer or, if it does not believe that disclosure is appropriate to handle the dispute, we may choose not to proceed with the transaction or matter leading to the dispute.

5.2. The Company reserves the right, at its sole discretion, to assess and periodically review this Policy and its arrangements, at least annually, and, if necessary, to amend this Policy and its arrangements whenever it deems it fit or appropriate to address any deficiencies.

5.3. This Policy is not part of the Terms and Conditions of Business of the Company and is not intended to be contractually binding or to impose or seek to impose on us any obligations that we would not otherwise have, but for the laws and regulations that apply.