

HIROSE FINANCIAL UK LTD.

Conflict of Interest Policy

Introduction

As part of its regulatory duties and obligations Hirose Financial UK Ltd. ("Hirose UK") is required to take all appropriate steps to identify and to prevent or manage conflicts of interest that may arise between:

- Company's managers, employees or anybody linked to the Company.
- Company and its group companies.
- Company and its client.
- One client and another

Hirose UK is committed to acting honestly, fairly and professionally in accordance with the best interests of its clients and to comply with the principles set out in the applicable legislation.

Purpose

Hirose UK's conflicts of interest policy (the "Policy") aims to ensure that Hirose UK's clients are treated fairly and with the highest level of integrity and that their interests are protected at all times.

Identification of Conflicts of Interest

In order to identify the types of conflicts of interest that may arise in the course of providing its services, Hirose UK will take into account the following situations where Hirose UK, a relevant person (which includes a director, partner, manager, employee or other person directly involved in the provision of services to Hirose UK) or a person directly linked by control to Hirose UK:

- Is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- Has a financial or other incentive to favor the interest of another client or group of clients over the interests of the client;
- 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 different from the client's interest in that outcome;
- Carries on the same business as the client; or
- 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/remuneration for that service.

Potential Conflicts of Interest

The following situations are some examples of conflicts which may arise when Hirose UK is providing investment services for its clients:

- When Hirose UK executes transactions through its trading platform for its clients, Hirose UK acts as principal in all dealings;
- You may have been introduced to Hirose UK by a third party who receives commission or remuneration from your trades

Hirose UK's Arrangements for Managing Conflicts

Hirose UK adopts a number of approaches to manage conflicts of interest and control the movement of confidential information; the following is a non-exhaustive list of these measures:

- Segregation of duties, supervision of staffs and control of exchange of information in different business activities including procedures for ensuring appropriate communication between business units;
- Controls over remuneration and sources of remuneration;
- Personal Account Dealing Policy concerning all staff, and their associates, regardless of seniority;
- Customer Order Policy
- Control of Business Interest including external directorship policy, requirement for all external directorships and outside business interests to be declared;
- Control over connected persons
- Provision of training to directors and employees of Hirose UK on conflicts of interest management.

Segregation of duties and supervision of staff

Hirose UK will provide segregation of duties to prevent any conflicts of interest. The Organization Chart will be with clear lines of authority allowing control of exchange of information and allowing separate supervision of officers whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict with those of Hirose UK. The Compliance Officer undertakes regular reviews of each department's operations and the roles undertaken by the individuals within the departments to ensure ongoing appropriate segregation of duties and lines of authority.

Controls over Remuneration

Hirose UK will ensure that our employees remain motivated whilst at the same time ensuring that remuneration schemes do not encourage inappropriate behavior. The remuneration of employees shall not under any circumstances be linked to sales and the remuneration structure takes into account a number of different factors including a good standard of compliance.

Personal Account Dealing Policy

Hirose UK is an execution only STP broker with no dealing desk intervention. This reduces the risk that employees would be able to carry out any 'front running'. The following are procedures

that have particular relevance to the key employees with significant influence.

- For certain financial instruments, employees must obtain prior written permission from the Compliance Officer;
- Employees must not trade with any Hirose UK customer or in any other manner or circumstance which could give rise to an actual or perceived conflict.

Customer Order Policy

Hirose UK is an execution only STP broker with no dealing desk intervention, and Hirose UK will exercise consistent standards; and operate the same processes across all markets, clients and financial instruments in which it operates. No undue preference shall be given to any customer.

In order to ensure that a broker does not take advantage of the situation by dealing on his/her own account or encouraging a third party to deal, the Firm has a strict “no front running” policy. In order to ensure a fair and orderly dealing environment within the market, Hirose UK further ensures that its staff comply with the revised Code of Market Conduct reflecting the provisions of the Market Abuse Directive, as well as the relevant FCA Rules, which aim to prevent the misuse of information and market manipulation.

Control over Business Interests

Hirose UK recognizes that our current and future employees may have an interest, relationship or arrangement whereby they act as a trustee, hold power of attorney or have a Directorship that may potentially create a conflict of interest. Hirose UK employees need to declare any such interests and will take the appropriate steps to prevent any conflicts of interest that are identified. To prevent such conflicts, Hirose UK requires its employees to disclose Directorships and interests in other companies and to disregard the interest, relationship or arrangement concerned when acting on behalf of clients.

As an execution only service with no dealing desk intervention, we will not be managing investments, nor will we make personal recommendations, however, we are required to ensure that our service is appropriate for our clients.

Control over Connected Persons

Hirose UK is aware of its duty to avoid a conflict arising where a director has an indirect interest through a connected person. Therefore, directors have checked with all their connected persons (e.g. adult child or spouse) regarding any possible relationships they might have with Hirose UK.

Provision of Training

Training is provided to directors and employees of Hirose UK on conflicts of interest management. Appropriate training will be provided to appropriate parties to ensure awareness and adherence to the Conflicts of Interest.

Disclosure

As a last resort, if none of Hirose UK's arrangements to manage conflicts of interest are sufficient, Hirose UK shall disclose the nature and sources of conflicts of interest to the client before undertaking business for them. This should enable the client to make an informed decision as to whether they wish to proceed with that particular situation. The disclosure will be in writing and will include both, a statement that the arrangement in place may be insufficient and suggestions of how to mitigate the risks.

Hirose UK's Policy

Hirose UK recognises, in certain circumstances, conflicts of interest can arise among Hirose UK, its directors, employees and appointed representatives, introducing brokers, relevant persons and all clients. As required by law, Hirose UK implements and maintains an effective conflicts of interest policy for the purpose of preventing conflicts of interest or potential conflicts of interest from causing a material risk of damage to the interests of clients.

Hirose UK aim to keep a record of its business activities in order to identify any conflict that might involve a material risk of damage to the interests of its clients. Where Hirose UK identifies an actual or potential conflict of interest, it can take the following steps:

- a. Decline to act or cease engaging in the activity leading to the conflict.
- b. Accept the conflict of interest but prevent any material abuse and protect the client. In order to do this Hirose UK maintains and operates permanent arrangements that are designed to manage most conflicts of interest once identified.

Reporting Breaches

Any breach must immediately be brought to the attention of the Compliance Officer who will report it where appropriate.

Reviewing the Policy

Hirose UK reserves the right to review the Policy periodically and, if required, amend it to meet and support its clients' needs and ensure that the Policy is compliant with all application law and regulation.

For more information, please contact compliance@hiroseuk.com