

CONFLICTS OF INTEREST POLICY

1. Scope

- 1.1. This is a summary of the Long Asia Group Conflicts of Interest Policy.

2. Introduction

- 2.1. Our aim is to maintain and operate effective organisational and administrative arrangements so that we have taken all reasonable steps to prevent conflicts of interest constituting or giving rise to a material risk of damage to the interests of our clients.
- 2.2. A conflict of interest can arise between the Long Asia group of companies and associates, the directors and staff of these companies and you as a client or between your interests and those of another client of ours.
- 2.3. For there to be a conflict of interest it is not alone sufficient that the company may gain a benefit (there must also be a possible disadvantage to a client) or that one client to whom the company owes a duty may make a gain or avoid a loss (there must also be possible and concomitant loss to another client to whom the company owes a duty).

3. Policy

- 3.1. Our aim is to keep a record of the kind of activities we carry out in which a conflict of interest entailing a material risk of damage to the interests of one or more clients could arise or has arisen. We also maintain procedures to manage such conflicts or potential conflicts.
- 3.2. In particular our procedures are designed to ensure that relevant persons engaged in business activities that may involve a conflict of interest carry on those activities in a manner that is sufficiently free of conflict. Our procedures include:
 - 3.2.1. 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;
 - 3.2.2. Segregation of duties, for example, procedures for 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, and, measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate services or activities where such involvement may impair the proper management of conflicts of interest;
 - 3.2.3. Internal controls over the personal account dealing of staff;
 - 3.2.4. Internal controls over remuneration and other incentives; and
 - 3.2.5. Measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out services or activities. Where our arrangements and procedures are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of a client will be prevented, we aim to disclose the general nature and/or sources of conflicts of interest before undertaking business for the client.

- 3.2.6. Client interest will always takes precedence pertaining to any arrangements or procedures over Long Asia Group and their respective trading representatives
- 3.2.7. Internal controls and policies will also include reporting procedures and protocols in any events arising to seek for approval from management and subsequently the board of directors when there are doubts on any conflicts of interests.
- 3.2.8. Ensuring that the business interests of the Company's clients will take precedence over the Company's (including its directors' or employees', as the case may be), in the event of conflicts of interest;
- 3.2.9. All directors' and employees' external business interests must be declared openly, and kept fully segregated from the Company's business activities; and
- 3.2.10. Disciplinary measures to ensure that all staff members adhere to the Company's conflicts of interest policy. This will be in line with our compliance manual disciplinary measures where warning letter will be served and this will affect their performance rating and variable bonus component.
- 3.2.11. Where necessary, the Company may also, upon review of the relevant staff's external business activities, require said staff to rescind or cease that external business activity.
- 3.2.12. Periodic interviews and assessment will be conducted on a yearly basis by the Board of Directors to ensure that these mitigating processes are carried out and adhered to. Declaration of business interest and shareholdings for all staff will be evaluated during such interviews.

4. Gifts and hospitality

- 4.1. We do not wholly prohibit our staff from receiving gifts and minor hospitality from persons with which we do business; but, these are permitted only where, in the opinion of a director or senior manager, they are not lavish or excessive, and, they will not impair our duty to act honestly, fairly and professionally in the best interests of clients.