Kudo

CONFLICTS OF INTEREST POLICY

KUDO TRADE LIMITED

BUSINESS COMPANY NUMBER 2024-00239

Kudo

CONFLICTS OF INTEREST POLICY

1. PURPOSE AND APPLICATION

Kudo Trade Ltd. (“Kudo”, the “Company”, “we”, “us”, or “our”) is an international company incorporated in Saint Lucia under registration number: 2024-00239.

Kudo is committed to conducting its business activities honestly, fairly, and professionally while maintaining the highest standards of integrity and client protection. The purpose of this Conflicts of Interest Policy (“Policy”) is to set out the principles and procedures adopted by the Company to identify, assess, manage, mitigate, and, where appropriate, disclose conflicts of interest that may arise in the course of providing services to clients.

This Policy applies to the Company and all of its directors, officers, employees, representatives, agents, contractors, and any other persons directly or indirectly associated with Kudo. The Policy covers circumstances where conflicts of interest may arise, including but not limited to:

- Between Kudo and its clients;
- Between employees, representatives, or associated persons of Kudo and clients;
- Between one client and another client; or
- Between different departments, activities, or commercial interests within the
- Company.

Kudo has implemented appropriate organisational and administrative controls to identify and manage conflicts of interest and to minimise the risk of any adverse impact on clients. These controls include internal procedures, reporting lines, monitoring measures, and controls designed to ensure that client interests are treated fairly at all times.

Where the measures implemented by the Company are not sufficient to adequately manage a conflict of interest, Kudo may disclose the general nature and source of the conflict to the relevant client before proceeding with the relevant service or transaction. Any such disclosure will be made in a clear and appropriate manner to enable the client to make an informed decision regarding the relevant service or activity

2. IDENTIFICATION OF CONFLICTS OF INTEREST

Kudo is committed to identifying and managing conflicts of interest in a timely, fair, and effective manner. The Company maintains appropriate procedures, systems, and controls designed to identify actual, potential, or perceived conflicts of interest that may arise in connection with its business activities and services.

The assessment of conflicts of interest will take into consideration the specific nature, circumstances, and materiality of each situation. While it may not be possible to identify

every potential conflict in advance, the Company will assess each matter on a case-by-case basis to determine whether a conflict exists and whether additional controls or disclosures are required.

All employees, officers, and representatives of the Company are responsible for identifying and promptly reporting any actual or potential conflicts of interest to the Compliance function. The Compliance Officer shall review the matter, assess the associated risks, and determine the appropriate course of action, including escalation to senior management or the Board where necessary.

In determining whether a conflict of interest exists, the Company will consider whether Kudo, a relevant person, or any person directly or indirectly connected to the Company may:

- Obtain a financial or other benefit at the expense of a client;
- Have an interest in the outcome of a transaction or service provided to a client that
- differs from the client's interest;
- Be incentivised to favour the interests of one client, group of clients, or third party
- over another client;
- Carry out activities or business interests that conflict with those of a client; or
- Receive from a third party any benefit, compensation, commission, service, or non monetary advantage in relation to services provided to a client, other than standard fee or commissions ordinarily payable for such services.

For the purposes of this Policy, a "relevant person" includes:

- Any director, officer, manager, employee, agent, or representative of the Company;
- Any person directly or indirectly associated with or acting on behalf of the Company;
- Any outsourced service provider or contractor involved in the provision of services or operational functions relating to the Company's activities; and

- Any individual whose services are placed under the direction or control of the Company in connection with its business activities or services.

3. MANAGEMENT OF CONFLICTS OF INTEREST

Kudo has implemented appropriate organisational, administrative, and compliance arrangements designed to identify, prevent, manage, and monitor conflicts of interest that may arise in the course of its business activities. The Company maintains an independent Compliance function responsible for overseeing compliance with applicable laws, internal procedures, and this Policy.

Where a conflict of interest is identified, the Company will assess the nature, materiality, and potential impact of the conflict, including any legal, regulatory, operational, or reputational risks. Based on such assessment, the Company will determine the most appropriate course of action, which may include implementing mitigating controls, restricting certain activities, disclosing the conflict to affected clients, or declining to proceed with the relevant activity or Transaction.

Kudo is committed to managing conflicts of interest fairly and effectively, including conflicts arising:

- Between the Company and its clients;
- Between employees, officers, representatives, or associated persons and clients; and
- Between one client and another client.

The Company and its personnel are required to act honestly, professionally, and in the best interests of clients at all times. To support these principles, Kudo has implemented internal controls and procedures including, but not limited to, the following:

- Taking reasonable steps to avoid conflicts of interest wherever possible;
- Ensuring fair treatment of clients where conflicts cannot be avoided, including through appropriate disclosure or declining to act where necessary;
- Maintaining appropriate segregation of duties and operational separation between departments or functions where conflicts may arise;

- Restricting access to confidential, sensitive, or non-public information to authorised personnel only;
- Prohibiting the misuse of confidential or inside information, including the use of such information for personal benefit or trading purposes;
- Monitoring personal account dealing and employee transactions where applicable;
- Maintaining records of identified conflicts of interest and the measures implemented to manage or mitigate them;
- Requiring employees and representatives to promptly disclose any actual or potential conflicts of interest to the Compliance function;
- Prohibiting employees, representatives, or associated persons from offering, soliciting, or accepting gifts, benefits, inducements, or incentives that may impair their objectivity or create conflicts with client interests;
- Implementing controls over marketing communications, disclosures, and client communications to ensure they are clear, fair, and not misleading; and
- Conducting ongoing monitoring and periodic reviews of internal controls, procedures, and business activities to ensure continued compliance with this Policy.

The Company may also implement additional safeguards where appropriate, including enhanced supervision, approval requirements, restricted activities, information barriers, or other compliance controls designed to manage specific conflicts of interest.

Kudo is committed to maintaining a strong culture of compliance and ethical conduct. All employees, officers, and associated persons are expected to remain vigilant in identifying and managing conflicts of interest and to cooperate fully with the Company's compliance and governance requirements.

For the purposes of this Policy, a "personal transaction" generally refers to a transaction in a financial instrument carried out by or on behalf of a relevant person outside the ordinary scope of their professional responsibilities, including transactions conducted for their own benefit or for the benefit of related persons or entities with whom they have a close personal, financial, or business relationship.

4. SEGREGATION OF COMPANY AND CLIENT ASSETS

Kudo is committed to safeguarding client assets through the clear segregation of the Company's own funds and assets from those of its clients, in accordance with applicable regulatory requirements and good industry practice.

The Company maintains separate and accurate accounting records for its own assets and client assets at all times. This segregation is intended to ensure transparency, enhance asset protection, and prevent any commingling or misuse of client funds by the Company or any third party.

This framework is designed to mitigate risks including, but not limited to:

- Improper use or commingling of client assets;
- Preferential treatment of employees, associated persons, or any client over another client;
- Misuse of confidential or non-public information relating to client transactions for personal or corporate benefit;
- Dealing in financial instruments based on advance knowledge of internal research, analysis, or client orders prior to public release;
- Execution of transactions by employees or associated persons for personal benefit using information obtained through their role within the Company; and
- Any conduct that may result in unfair disadvantage to clients or compromise market integrity.

5. EMPLOYEE RESPONSIBILITIES

All employees, officers, and relevant persons are required to:

- Understand and comply with the principles of asset segregation and the prohibitions set out in this Policy;
- Exercise due care and professional judgment to prevent any breach of these requirements; and

- Immediately report any actual, suspected, or potential breach to the Compliance Officer or Compliance Department.

The Company also maintains strong internal controls to prevent and address risks arising from fraud, negligent handling of client assets, inadequate record-keeping, operational errors, or any other activity that may compromise the safeguarding of client funds. In the event of insolvency, client assets are maintained in segregated accounts and are not treated as part of the Company's estate, ensuring that clients retain their legal rights and beneficial ownership over their assets, subject to applicable laws and insolvency procedures. The Company maintains detailed books and records for each client to ensure accurate tracking, reconciliation, and protection of client funds at all times.

6. FORBIDDEN BUSINESS PRACTICES

Kudo strictly prohibits any business practices that may give rise to actual, potential, or perceived conflicts of interest or that may compromise fair treatment of clients or market integrity.
The following practices are expressly prohibited:

- **Price Manipulation:** Engaging in or facilitating transactions with the intention of influencing the price of financial instruments to benefit the Company, its employees, or other clients, particularly where such actions are linked to prior or subsequent dealing activity.
- **Misuse of Client Information:** Using confidential or non-public information relating to client orders, transactions, or activity for the benefit of the Company or any third party, or disclosing such information without proper authorisation.
- **Pre-Publication Dealing:** Conducting transactions in financial instruments by the Company or its employees ahead of the release of internal research, analysis, or reports relating to those instruments, where such activity could create an unfair advantage or conflict of interest.
- **Improper Advantage:** Any conduct that results in unfair preferential treatment of the Company, its employees, or any client over other clients.

Kudo is committed to ensuring that all business activities are conducted in a fair, transparent, and ethically sound manner, with strong controls to prevent misuse of information and conflicts of interest.

7. DISCLOSURE OF CONFLICTS OF INTEREST

Where the organisational and administrative measures implemented by Kudo to identify, prevent, or manage conflicts of interest are not, with reasonable confidence, sufficient to eliminate the risk of harm to a client's interests, the Company shall make an appropriate disclosure of the relevant conflict.

Such disclosure will be made prior to the execution of any transaction or the provision of any investment service where a conflict of interest has been identified and cannot be adequately managed through internal controls alone. The disclosure will:

- Be provided in a durable medium;
- Be clear, fair, and presented in sufficient detail to enable understanding;
- Clearly describe the nature and source of the conflict of interest;
- Explain the potential risks and implications for the client; and
- Enable the client to make an informed decision as to whether to proceed with the relevant service or transaction.

Kudo reserves the right to decline to proceed with any transaction or service where it determines that disclosure alone is not sufficient to appropriately manage or mitigate the conflict of interest.

8. DISCLOSURE REQUIREMENTS FOR MANAGEMENT AND EMPLOYEES

All directors, officers, managers, and employees of Kudo are required to promptly disclose the following to the Compliance Officer:

- The opening or closure of any personal trading or investment accounts held with external brokers or financial institutions;

- Details of personal transactions in financial instruments, to be reported within 24 hours of execution;
- A declaration of financial instruments or securities held where required under internal compliance procedures; and
- Any actual or potential conflict of interest arising from transactions executed by the Company in which the employee has a direct or indirect interest.

All disclosures will be reviewed and assessed by the Compliance function to determine whether any conflict of interest exists and, where necessary, whether additional controls or restrictions should be applied.

9. YOUR CONSENT

By accessing this website or other service we provide to you, you consent to Kudo collecting, maintaining, using and disclosing personal information about you and provided by you or by another person as described above.

10. REVIEW AND AMENDMENT OF THIS POLICY

Kudo reserves the right to amend, update, or modify this Policy at any time where it considers such amendments necessary or appropriate, including to reflect changes in applicable laws, regulations, business operations, technology, or internal practices.
The Company shall review this Policy periodically, and at least annually, to ensure that it remains effective, appropriate, and consistent with the Company's regulatory obligations and operational requirements. Any amendments to this Policy shall take effect upon approval by the Company and, where applicable, publication or internal communication.