

Hedging Counterparties Policy



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HEDGING COUNTERPARTIES POLICY

This policy explains the methods that Forex Financial Services Pty Ltd ('FFS' 'we' 'us' 'our') uses to evaluate and assess our hedging counterparties, so as to ensure they are of sufficient financial standing, are licensed by a comparable regulator and are of sound reputation. This policy has been developed with reference to the ASIC Regulatory Guide 227.

1. Forex Financial Services ("FFS") provides its clients with Market access via a Prime Brokerage solution.
2. The FFS MT4 platform is connected to multi-bank and non bank liquidity of major global banks and financial institutions via regulated and authorised third party liquidity providers.
3. FFS maintains and applies an assessment policy to evaluate and monitor its hedging counterparties, so as to ensure they are of sufficient financial standing, are licensed by a comparable regulator, and are of sound reputation.

The assessment and evaluation of FFS's hedging counterparties are based on the following information:

- the jurisdiction/country where the counterparty holds a financial services license
- the authority that regulates the counterparty
- the provisions of the license
- the paid capital of the counterparty
- the net assets of the counterparty
- the net tangible assets of the counterparty
- the liquidity ratios of the counterparty
- the business history and reputation of the counterparty

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