

# Amplifying Global FX Capital

## Policies and Procedures

### Overview

This document sets out our company's policies and procedures to ensure that its employees and company remain in compliance with its regulators, manages its conflicts of interests, and acts in accordance with global financial industry standards of conduct.

These policies are regularly reviewed to address changes in our company structure, the scope of business, and developments in the global marketplace and industries in which we operate.

The main business function of the company is to produce research primarily on the foreign exchange market. We use that research to produce regular written reports, prepare and deliver presentations, provide specialised reports on a consultancy basis, and manage our company's capital. We are exploring managing the trading accounts of clients.

A key area of compliance risk is that a director of the firm is producing written research reports, undertaking consulting work, and trading capital. There are potential conflicts of interest in these duties.

These conflicts are managed by a combination of restricting the information that we gather from clients, reviewing our research reports and trading activity, and adhering to laws, our policies, and our code of conduct.

### Compliance Control Group

Our Compliance Control Group (CCG) consists of the two company directors.

The Group convenes monthly to review company activities and adherence to our policies and procedures.

At these meetings:

- The CCG discusses upcoming business plans and decides whether the existing policies and procedures need to be updated to accommodate current and planned new business activities.
- It reviews the content of the company website to assess its disclaimers, terms and conditions, company and product information to ensure it is up-to-date and consistent with the company's activities, legal requirements, and this policies and procedures document.
- It reviews feedback on our research reports from our panel of external market professionals with a particular focus on whether they adhere to our policy and procedures.

- It reviews the trading activity conducted by our company for our company account. In particular to assess if there is any appearance that our research reports may have been written with the intention of generating undue influence on the market.

The CCG maintains registers for Personal Trading Activity, Material Non-Public Information (MNPI) that our company may come into possession of, and client complaints and resolution.

If the company is in possession of MNPI, The CCG reviews research reports and trading activity to ensure our policies and procedures on MNPI (discussed below) have been followed.

This policies and procedures document defines our current business activities, code of conduct, and rules that our employees are expected to follow. It is approved at the end of each monthly CCG meeting. Any new business plans must not be conducted until approved by the CCG and rules pertaining to these activities have been established and included in this document.

### **Contracted Compliance and IT Services**

AmpGFX has contracted with My Dealer Services Pty Ltd to provide compliance reporting services. And PDD Advisory Group to conduct an annual audit required for reporting to the Australian Securities and Investments Commission (ASIC) to remain in compliance with our AFSL.

We hold quarterly meetings with My Dealer Services to ensure we are meeting our obligations as an AFS Licensee.

The company has contractors for information technology, and website management, maintenance and security.

### **Compliance Training**

Our two directors of our company each commit to finding one international article related to compliance incidences or developments in the global financial services industry per month. We review these and discuss at our monthly Compliance Control Group meeting.

We have a subscription to Kaplan Professional Online Training services that covers the Australian financial services industry and commit to complete 2 hours or more of structured short courses per month.

We receive and review a monthly newsletter from My Dealer Services covering regulatory developments in the Australian financial services industry. These are read and discussed at our CCG meeting.

We keep a register of the time spent and topics covered.

### **Research Reports**

The Research reports are produced solely by Greg Gibbs, Director of AmpGFX. Our rule is that our research reports are produced by experienced researchers that fully understand our policies and procedures and have regular training in industry standards on conduct.

The company produces two regular research reports called the 'AmpGFX report' and 'Real-Time Briefings'. Each report is produced 1 to 2 times per week. In total 2 to 4 reports are published per week.

The 'AmpGFX Report' is a macroeconomic analysis of global financial markets, with a focus on foreign exchange. The reports discuss our views on financial markets.

'Real-Time Briefings' are reports on recent market developments, intended to be timely and informative. They vary in length from short comments on key events as they occur, to longer chart focused reports that may cover a variety of market developments seeking to identify key themes.

The 'AmpGFX reports' and 'Real-Time Briefings' are drawn solely from the macroeconomic and financial markets research conducted by Greg Gibbs.

### Content Control

The views expressed in our written research reports must be based on sound and thorough analysis and include an evidence-based logical explanation of theories used to draw conclusions.

These views must be based on broad consideration of possible factors that may influence the outcomes for the financial markets under discussion. The reports should demonstrate that a range of factors has been considered.

The reports must not express views in absolutes and suggest that outcomes have occurred or will occur with certainty. They should express views with a sense of the probability involved and the risks surrounding outcomes.

The research reports must not express personal political or other opinions that are unrelated to financial markets. They must avoid being critical of individuals, governments, organisations or companies. Any actions or quotes from individuals or entities discussed in the reports must be for the purpose of drawing conclusions for possible outcomes in financial markets.

The views expressed in the reports must accurately reflect the author's personal opinion about the referenced currencies and financial market products discussed. The views must not be designed to influence or manipulate market opinion.

### Publicly available, verifiable, and reputable sources

The research resources/sources used in the analysis that informs our reports are only publicly available information.

The sources for data must be from Bloomberg, government websites (national statistic organisations, central banks, finance departments, other official departments such as labour and industry departments), and Industry bodies that produce widely disseminated survey data (such as Purchasing Manager Indices (PMIs), Real estate or retail survey data).

Our reports must rely on information reported by reputable news agencies. This includes Bloomberg, The Financial Times, Wall Street Journal, and the Australian Financial Review. News may be gathered from a range of other news services that are widely distributed.

All news reports used to inform our research reports must be sourced from more than one place to help verify its accuracy.

All material facts presented in our reports must include a primary source. This includes quotes from officials or official press releases. When at all possible, the reports should include a hyperlink to the original source.

Our reports frequently use charts or tables. The charts are, when at all possible and in most instances, created on the Bloomberg terminal. This ensures that the data has been sourced from Bloomberg and include subscripts that acknowledge Bloomberg as the source.

If a chart has been created from our own spreadsheets, then the source of the original data is acknowledged in subscript, along with “AmpGFX” to denote our company as an additional source.

Charts and tables may at times be cut and pasted from other publicly available reports. These may be a government organisation report or a reputable news services. In these instances, the source is clearly stated and a hyperlink to the original report is included.

### **Our Content is limited and does not cover specific company securities**

The main objective of our reports is to provide research on the foreign exchange market. In the context of discussing the foreign exchange market, our reports frequently discuss other areas of the financial market; including interest rates, government bond markets, equity indices, credit market indices, real estate markets, commodities, and derivatives of these markets.

We do not seek information or use information gathered from a specific company. We do not seek or gather information from company employees about their company. We do not offer an opinion on the value or outlook for any specific company security.

On occasion, specific company news may have broader implications for financial markets, including the foreign exchange market. Only in this context will our reports mention specific companies. In these instances, we only use and report facts that are widely disseminated in reputable news services. Our discussion of specific company news is limited to its impact on broader financial markets, for the purpose only of drawing conclusions for foreign exchange markets.

### **Consulting work**

The consulting work that we may take, at this time, can only be conducted by our principal, Greg Gibbs. Our rule is that consulting work is produced by experienced researchers that fully understand our policies and procedures and have regular training in industry standards on conduct.

Consulting work can only include:

- written reports on specific currencies with a specific horizon set in weeks, months or years;
- preparing presentations to be delivered to an audience on FX markets with a medium-term horizon, meaning months or years;
- Discussing our written reports and trading views around recent or upcoming events.

We do not accept consulting work where we are asked to come to a specific conclusion.

We request that clients avoid sharing any material non-public information; including in particular knowledge of any upcoming transactions.

### Policy on Material Non-Public Information

Our firm does not in the normal conduct of its business come into possession of Material Non-Public Information (MNPI). Its primary business is the sale and distribution of its AmpGFX reports and Real-Time Briefings, and trading based on its own independent research using only publicly available sources.

In consulting work that we undertake, clients are first advised that we require them to limit the information that they provide to us. Before undertaking consulting work, we require clients to acknowledge via written correspondence that they:

- Do not provide to us any information on specific transactions that they may be considering or in the process of conducting;
- They may ask us our views on specific currencies over a specified period stated in weeks months or years, or around specific market events, but they may not mention a specific date before or on which a transaction is expected to be made by their company;
- Do not share with us any MNPI.

If we do come into possession of MNPI, we are not permitted to trade in financial instruments that might be influenced by the public disclosure of the MNPI. As discussed, in our personal account dealing policy, the same rule applies to trading for personal accounts. We are not permitted to share MNPI with other persons or parties.

As discussed above, our research reports must be based on public information, a thorough analysis of a broad range of factors, and accurately express the opinion of the author. It must not attempt to influence or manipulate the market.

If at all reasonably possible our research reports should avoid discussing financial markets securities or currencies that may be affecting by MNPI that we possess.

Should we come into contact with information that we think could be MNPI, we report it to our company's Compliance Control Group. The CCG keeps a record of this information.

The Compliance Control Group will review the company's trading activity and research reports to assess if there is any evidence that the company's advice or trades appear to have been influenced by MNPI. Such events should not arise, especially given the current small size of our firm. Our policy is to avoid any appearance, accidental or otherwise, that we may have acted on MNPI.

### Trading authorisation

Trading authorisation is only provided to Greg Gibbs.

Trading may only be conducted through the Saxobank on-line platform in the single account that is held in the company name.

As mentioned we are exploring managing capital for customers. This is addressed in the addendum below.

Trading may be conducted in FX, and commodity and financial futures. In practice, most of our trades are in foreign exchange spot and rolled forward by the automated Saxobank systems.

Greg Gibbs is authorised to trade on a 24-hour basis, consistent with the 24-hour nature of the foreign exchange market.

Since this trading only occurs on the Saxobank platform in the one company account held at Saxobank, the Saxobank systems are relied on exclusively for the recording of these transactions and reporting our company's returns from trading activity.

Saxobank provides real-time information on account value, trading profit and loss, outstanding positions and orders.

Greg Gibbs is responsible for overseeing the trading positions of the company, including maintaining risk control and monitoring orders associated with outstanding trades.

### Limitations on Trading

Greg Gibbs can only undertake trades that reflect the research he undertakes as the only analyst and author of the company's reports.

The trades must be based on a combination of macroeconomic, technical and behavioural analysis.

The trades must not be based on knowledge of, rumour or hearsay related to flows in the market.

The trades must rely on research that is detailed, extensive, and based on factual and verifiable sources. The sources must be publicly available.

The intention is that the research undertaken by our firm, currently, solely by Greg Gibbs, drives both the research reports written by our company for its customers, and the trading undertaken by the company for its own account.

The trading must not evolve from any other source.

The research drives both the research reports and the trading. The trades must not drive the research.

In this way, the research reports are consistent with the trading activity. However, the research reports are not a vehicle to influence the market in a way to make the trades profitable.

Greg Gibbs may not conduct any capital management with other accounts not associated with our company. All Trading must be conducted through the company account.

The intention of these rules is that all trades must be recorded on the Saxobank platform in the company account. And the returns reported by our company must fully reflect and only reflect the fully trading activity of our firm, conducted by Greg Gibbs.

Our CCG reviews our trading activity to ensure it is consistent with our trading limitations and research reports.

### Confidentiality Policy

We do not disclose the name, company, contact details or other personal information of our clients that have subscribed to our research reports, or contracted to our consulting services to any other parties apart from our email service provider (Street Contxt).

We do not discuss with any third party the content of our discussions with clients that have contracted for our consulting services.

We use an email service to send our email alerts and our company's marketing material. We share customers' first and last name and email address to this service provider to build and maintain our email distribution list.

The email service provides analytics to our company on which customers open emails, click links, and forwards email. The service acknowledges that our company (AmpGFX) owns the customer data and does not provide the customer data or analytics to any other party.

### Personal Account Trading Policy

Our company does not provide advice or analysis on individual company securities. Our company does not invest in individual company securities. As such we do not have company policies that restrict employee investments and trading in individual company securities.

We require employees to abide by all local laws related to securities investment, including not dealing in securities for which they may be in possession of MNPI.

Our policy is to require employees to disclose to the CCG all personal account transactions in foreign exchange, interest rates, bond markets, and commodity financial instruments. These are instruments that we do trade on behalf of our company in our single Saxobank company account.

Such transactions are allowed in personal investment accounts such as retirement savings accounts, but they are subject to a minimum three-month holding period. Such transactions, as mentioned, must be disclosed to our CCG. They must not occur in instruments for which the employee may be in possession of MNPI.

### Managing Conflicts of Interest

We do not accept consulting work where we are asked to come to a specific conclusion.

We do not produce reports that offer an outlook or view on specific companies.

We have policies restricting personal trading and investment in the financial instruments that we discuss in our research reports, or trade in our company account.

All outside business interests must be disclosed to our Compliance Control Group. We prefer all employee business activities to be within the operations of our company and be conducted as a representative of our company. To date, our employees do not have outside business activities. In the

event that an employee in future has an outside business interest, the CCG must approve and regularly review these interests to manage possible conflicts of interest.

We do not accept or offer gifts or entertainment that may be frequent or lavish so as to appear to create an inappropriate obligation or expectation. All gifts or entertainment received to a value over \$100 must be disclosed to our CCG. All expenses related to gifts or entertainment must be pre-cleared by our compliance officer.

### Code of Conduct

We take personal responsibility for our actions and hold ourselves accountable. We adhere to the spirit and letter of all laws and regulations in all countries we may have clients or operate, and our company policies. We act to maintain the integrity and reputation of our company.

We are committed to dealing fairly and transparently with our clients as well as our regulators, the public, competitor, contractors and each other.

We are a two-person company, both key principals of the firm, and members of our CCG. We inform each other when we have concerns and issues relating to personal conduct and legal matters. We are each responsible for identifying, correcting and preventing potential misconduct.

# Addendum on plans to manage customers' trading accounts

## AmpGFX Trading Account Management Service

We plan to offer a service where we conduct trades on behalf of our customers in their own trading account. This service is called our 'AmpGFX Trading Account Management Service'

## We are not operating a managed fund

In providing this service, AmpGFX is not operating a managed fund; we are not taking funds from customers to invest or manage. We do not hold in custody or in deposits cash or assets for customers.

## Only for sophisticated Investors

We are providing this service only to wholesale customers, as defined in Australian legislation (Corporations Act 2001). Our company is only licenced to provide this service to wholesale customers.

Wholesale customers include:

A person with certified net assets of at least \$2.5 million or a person who had a gross income for each of the past two financial years of at least \$250,000; or

A 'professional investor'. This category includes AFS licensees, listed entities, banks and friendly societies, and other entities that may be presumed to have the expertise or access to professional advice to justify their being treated as wholesale.

Wholesale customers take responsibility for their decision to commission our service to manage their account. In providing this service, we do not take into consideration the customers' personal objectives, financial situation or needs.

## Customers must open a Saxobank account

The AmpGFX Trading Account Management Service is provided through our agreement with Saxobank, called a Money Management Agreement.

Customers of our service must open an account at Saxobank. This will require completing Saxobank application forms. Saxobank will undertake their standard client identification and account suitability analysis under applicable law; including but not limited to anti-money laundering laws or financial services laws, before accepting the applicant as a client.

As such, a customer of AmpGFX's Trading Account Management Service must also be a customer of Saxobank and subject to terms and conditions that apply to Saxobank customers. They are responsible for conducting all business related to their Saxobank account with Saxobank. AmpGFX does not act as an intermediary and does not have access to distributions of funds to or from the account.

### **AmpGFX Trades on Customers' Behalf in their Saxobank Account**

The customers of our service sign a limited power of attorney allowing our firm to execute trades for the customers' Saxobank account. They also sign a consent to allow our firm, as the 'money manager' of the account to view and extract information related to all trades and other financial data hosted by Saxobank.

In effect, both AmpGFX and the customer of our Trading Account Management Service can view the trades, orders and financials associated with the customer's Saxobank account. However, only AmpGFX capital can execute trades and set orders to trade for the account. And only the customer can withdraw or add funds to their account.

AmpGFX (we) will agree with our customers in writing that they maintain a minimum balance in their trading account. Otherwise, we reserve the right to cease trading in the account and close existing trades until the minimum balance is restored. The client will also be subject to Saxobank rules on maintaining proper margin and a positive balance in their account.

### **AmpGFX Trades Using Saxobank Allocation Tools to Mirror our Trading Performance**

AmpGFX will execute trades for its own account and its customers' accounts in one block trade, using allocation tools provided by Saxobank.

In this way, our customers that maintain the agreed minimum balance in their trading account will undertake the same trades that AmpGFX executes for its own Saxobank trading account.

As such, our client's trading performance will mirror our own performance in our company account held at Saxobank. This is the only account in which we manage our company's capital.

AmpGFX and the customer will agree in writing on parameters relating to the amount of the client's capital at risk in the trades we execute for the client. This will reflect the customer's capital held in the account and the degree of risk the client wishes to apply to their Saxobank account.

AmpGFX will use this agreement to set the 'key' used to allocate block trades to all accounts under its management, including AmpGFX's own account. The 'key' will allocate a set percentage of the amount traded to each account, such that each customer receives the same proportion of our trades until a new agreement is made on the capital at risk or the management agreement is ended.

Clients will achieve the same performance results as AmpGFX, although this will be scaled by the difference in the capital at risk employed by AmpGFX and that employed by the customer.

### **Money Manager Fees**

AmpGFX and our customers will agree on a management fee to be paid from the customer's Saxobank account to AmpGFX. The fee will be based on a percentage of the profit from trading, or a percentage of the capital under management, or a combination of the two. The customer will sign a consent for Saxobank to make this payment from their account from time to time as agreed.

### Further Information

More detailed information will be available to customers on request to help them assess the suitability of this service, set-up their Saxobank Account, sign a limited power of attorney and other agreements necessary to engage our Trading Account Management Service.