

Churning Policy – Everytrade 24 LTD

Global Business Licence (GBL) – Licence No. GB25204986



1. Introduction

Everytrade24 Ltd (the "Company") is committed to upholding the highest standards of integrity, professionalism, and ethical conduct in the provision of its investment services. As a licensed investment dealer operating under the regulatory oversight of the Financial Services Commission (FSC) of Mauritius, the Company recognises its responsibility to ensure that all client dealings are conducted transparently and in the best interests of its clients.

This Churning Policy (the "Policy") has been developed as part of the Company's broader conduct-of-business and compliance framework. Its primary objective is to safeguard clients from excessive or inappropriate trading activity. While the Company does not typically engage in discretionary trading and clients execute trades directly through the trading platform, this Policy is designed to ensure that any potential risks of churning—whether arising from misuse of the platform, third-party influence, or automation—are appropriately monitored and mitigated.

- By implementing this Policy, the Company affirms its ongoing commitment to:
- Promoting fair treatment of clients;
- Upholding the fiduciary principles and duties applicable to licensed financial service providers;
- Ensuring compliance with the Securities Act 2005, relevant FSC rules, and international best practices;
- Preserving client trust, market integrity, and long-term business sustainability.

This Policy should be read alongside the Company's Best Execution Policy, as it forms a critical element of the Company's client protection framework.

2. Definition of Churning

Churning refers to the execution of excessive, unnecessary, or overly frequent transactions in a client's investment account by a broker, dealer, or representative, where such transactions do not serve any bona fide investment purpose, but are instead primarily intended to generate commissions, fees, or other benefits for the executing party.

In the context of the Company, which provides a trading platform and does not typically exercise discretionary trading authority over client accounts, the risk of direct churning by the Company or its representatives is limited. Clients are generally responsible for executing their own trades via the trading interface, and the Company does not initiate or recommend trades without client instruction.

Nevertheless, the Company recognises its duty to protect clients from practices that may result in excessive trading, economic harm, or regulatory breaches. While the Company may not directly engage in or facilitate churning, this Policy is adopted to ensure that appropriate safeguards, monitoring systems, and controls are in place to detect, prevent, and mitigate such risk should it arise — including instances where a third-party representative or automated trading system may abuse the trading environment.

Key indicators of churning may include, but are not limited to:

- Abnormally high turnover rates or cost-to-equity ratios in client accounts;
- Frequent in-and-out trading patterns inconsistent with the client's stated investment strategy or financial goals;
- Trading volumes that appear disproportionate to the size, profile, or objectives of the client's portfolio.

Accordingly, while the Company does not anticipate frequent exposure to this conduct in its operational model, it maintains this Policy to uphold the highest standards of investor protection, regulatory compliance, and ethical integrity in all aspects of its client relationships.



3. Prohibition of Churning & breach of policy

The Company maintains a strict prohibition against any form of churning in client accounts. All employees, officers, agents, and representatives of the Company are expressly forbidden from engaging in, promoting, or facilitating trading activity that may be considered excessive, inappropriate, or inconsistent with the client's investment objectives, risk appetite, financial circumstances, or trading profile.

Furthermore, the Company and its representatives are not authorised to provide investment advice. Clients independently manage and execute their own trades through the Company's platform. As such, any suggestion, inducement, or implied recommendation to trade specific products or adopt particular trading behaviours is strictly prohibited.

A violation of this Policy will be regarded as a material compliance breach and may give rise to disciplinary measures, which shall be determined by the Board of Directors, taking into account the severity of the breach, its impact on clients or the Company, and any applicable regulatory obligations.

4. Trade Assessment

Prior to executing any transactions on behalf of a client, employees and agents of the Company shall ensure that the trades are executed in accordance with instructions received from the clients and the best execution policy of the Company.

5. Monitoring and Review

The Company shall establish and maintain robust monitoring and review procedures to identify and prevent churning activities. This includes conducting regular analysis of client account activity, trading patterns, turnover ratios, and other relevant indicators. Any suspicious or potentially excessive trading will be promptly investigated, and appropriate remedial actions will be taken to address confirmed instances of churning.

6. Client Communication and Consent

The Company shall maintain open and transparent communication with clients. Clients shall be informed about the risks associated with excessive trading and the potential impact on their investment performance. Prior to executing any trades, the Company shall ensure that the client had all information at hand in accordance with the Best Execution Policy of the Company.



7. Compliance with Regulations

The Company and its employees shall comply with all applicable securities laws, regulations, and industry standards pertaining to churning and client protection. Employees shall receive regular training and updates on relevant regulations and ethical standards to ensure their understanding and compliance.

8. Disciplinary Actions

Any employee or agent found to be engaged in churning or violating this Policy shall be subject to disciplinary actions, including but not limited to warnings, suspension, termination, or legal action, as deemed appropriate by the Company. The Company may also take necessary steps to rectify any harm caused to affected clients. Any possible case of Churning shall be recorded in the incident register, which shall also comprise of relevant actions taken in this regard. The register shall be maintained by the Compliance Officer.

Reporting and Whistleblower Protection

The Company encourages all employees and agents to report any suspected churning activities through the designated reporting channels. The Company is committed to protecting the confidentiality and anonymity of whistleblowers and will take appropriate measures to investigate and address reported concerns.

Review and Amendment

This Churning Policy shall be periodically reviewed and updated as necessary to reflect changes in regulations, industry best practices, and the Company's business requirements. Amendments to this Policy shall be communicated to all relevant employees and agents.

By adhering to this Churning Policy, the Company aims to maintain the trust, confidence, and long-term relationships with its clients while upholding the highest standards of professionalism and ethical conduct.