



# Conflicts of Interest Policy

## 1. Introduction

1.1 In accordance with the Securities Industry Act and Regulations, the Company herein provides its clients and potential clients with its Conflicts of Interest Policy so as to ensure fair treatment to all its clients (hereinafter the “Policy”).

1.2 This Policy provides that the Company will ensure that it makes reasonable efforts to detect and avoid conflicts of interest between:

(1) the Firm, including individuals authorized to act on the Firm’s behalf such as its employees, appointed representatives (or where applicable tied agents), or any person directly or indirectly linked to the Company by control, and its clients; or

(2) one client of the Firm and another client.

The Company is obligated and committed to acting honestly, fairly and professionally and in the best interests of its clients and likewise comply with the principles set out in the legislation referenced in Clause 1.2 above when providing investment services and other ancillary services related to such services.

1.3 AAA Trading herein provides this Policy, which it maintains in order to manage conflicts of interest in respect of the Company ensuring fair treatment to all of its clients.

1.4 This Policy is not intended to, and does not, create third party rights or duties that would not already exist if the Policy had not been made available, nor does it form part of any contract between the Company and any client.

## 2. Scope of the Policy

2.1 The Policy is provided to you on the basis that you are proposing to trade with AAA Trading in Contracts for Difference (‘CFDs’) which are leveraged products, incur a high level of risk and can result in the loss of all your invested capital.

2.2 The Company herein details its approach to identifying and managing conflicts of interest which may arise during the course of its business activities. The Policy applies to all its directors, employees, any persons directly or indirectly linked to the Company (hereinafter called “related persons”) and refers to all interactions with all of its clients.

2.3 The aim of our Policy is to identify and prevent conflicts of interest which may arise between the Company and its clients or between one client and another. Accordingly, we have adopted a conflicts of interest policy setting out the procedures, practices and controls in place to achieve this.

## 3. Identification of Conflicts of Interest

3.1 For the purposes of identifying the types of conflict of interest that arise in the course of providing investment and ancillary services or a combination thereof and whose existence may damage the interests of a client, the Company takes into account, whether the Company or a relevant person or a person directly or indirectly linked by control to the Firm, is in any of the following situations, resulting from the Company having provided investment or ancillary services or investment activities or otherwise:



- (a) The Company or relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
- (b) The Company or relevant person has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- (c) The Company or relevant person has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- (d) The Company or relevant person carries on the same business as the client;
- (e) The Company or relevant person receives or will receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for that service.

## 4. Managing Conflicts of Interest

4.1 The Company's in house Compliance Department ensures full compliance with legislation and likewise, the associated internal policies to include effective identification and management of potential conflicts of interest issues.

4.2 The Company maintains and operates relevant operational and administrative procedures to manage and prevent any potential conflicts of interest from constituting or giving rise to a material risk of damage to the interests of its clients. The Company also undertakes ongoing monitoring of business activities to ensure that its internal controls remain relevant.

4.3 The control measures adopted are designed to ensure that relevant persons engaged in different business activities involving a conflict of interest carry on those activities at a level of independence appropriate to the size and activities of the Firm and the Group, and to the materiality of the risk of damage to the interests of the client.

In general, the internal controls that the Company follows regarding conflicts of interest include the following measures to ensure the requisite degree of independence:

- (a) Effective 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;
- (b) 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, or who otherwise represent different interests that may conflict, including those of the Company;
- (c) The removal of any direct link between the remuneration of relevant persons principally engaged in one activity and the remuneration of, or revenues generated by, different relevant persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities;
- (d) Measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out investment or ancillary services or activities;
- (e) Measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.

4.4 Some of these policies and procedures established to prevent Conflicts of Interest are indicated below:

- A 'need to know' policy governing the dissemination of confidential or inside information within the Group



- Chinese walls restricting the flow of confidential and inside information within our company, and physical separation of departments
- Procedures governing access to electronic data to include password protocols
- Segregation of duties that may give rise to conflicts of interest if carried on by the same individual
- Personal account dealing requirements applicable to relevant persons in relation to their own investments
- A Gifts and Inducements log registering the solicitation, offer or receipt of certain benefits
- The prohibition of external business interests conflicting with our interests as far as the Group's officers and employees are concerned, unless board approval is procured
- A policy designed to limit the conflict of interest arising from the giving and receiving of inducements
- Active in-house Compliance Department to monitor and report on the above internal controls to the Company's Board of Directors
- Appointment of Internal auditor to ensure that appropriate systems and controls are maintained
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### **Investment Research**

AAA Trading does not procure or produce its own research. All communication on the Company's website is regarded as non-independent research and marketing communication with the source in all instances being disclosed.

### **Introducing Brokers (IBs)**

AAA Trading may from time to time use IBs as a distribution channel. These IBs may be remunerated in accordance with a formal IB Agreement between AAA Trading and the IBs. AAA Trading ensures that no IB remuneration affects the quality of execution to its clients. In addition, no IB of AAA Trading will provide investment advice to any of its clients unless the IB is duly authorized to do so.

and report to the Company's Board of Directors

- Establishment of the four-eyes principle in supervising the Company's activities

## **5. Disclosure**

5.1 Where arrangements made by the Firm are insufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client will be prevented, the Company will, if it is aware of it, disclose the general nature and/or sources of conflicts of interest to a client prior to undertaking investment business for that client. The disclosure will be made by way of a written notice and will include sufficient detail to enable the client to take an informed decision with respect to the service in the context of which the conflict of interest arises. Details of potential conflicts of interest situations identified by the Firm are contained in the Annex to this Policy. These may be amended as warranted.

If the Firm does not believe that disclosure is appropriate to manage the conflict, we may choose not to proceed with the transaction or matter giving rise to the conflict.

5.2 The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate. Further information about the Policy is available upon request.



## 6. Frequently Asked Questions

6.1 Questions regarding the Conflicts of Interest Policy should be addressed, in the first instance, to the Customer Support Department.

6.2 Customer Support Department

Phone: +86 400 809 8509

Email: support@aaatrading.net

# Annex I Conflicts of Interest

Potential conflicts of interest include the following:

### Conflict Description

#### Dealing as Principal

AAA Trading is permitted to deal as principal in respect to clients' trades or fill the clients' orders with the market, as specified in our Order Execution Policy.