



**GOLDEN BROKERS**

**CONFLICTS OF INTEREST POLICY**



## CONFLICTS OF INTEREST POLICY

### 1. INTRODUCTION

- 1.1. This Conflicts of Interest Policy (“the Policy”) is provided to you (our Client or prospective Client) in accordance with the applicable law, pursuant to which Golden Brokers Ltd. (“the Company”) is required to take all reasonable steps to detect and avoid conflicts of interest.
- 1.2. The Company is committed to act honestly, fairly and professionally and in the best interests of its Clients and to comply, in particular, with the principles set out in the above legislation when providing services of money- broking business as defined under Section 86 of the Financial Services and Securities Act 2010 (“Services”).
- 1.3. The purpose of this Policy is to set out the Company’s approach in identifying and managing conflicts of interest which may arise during the course of its normal business activities. In addition, this Policy identifies circumstances which may give rise to a conflict of interest.

### 2. SCOPE

- 2.1. 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 Clients.

### 3. CRITERIA OF IDENTIFYING CONFLICTS OF INTEREST

- 3.1. When the Company deals with or on behalf of the Client, the Company, an associate or some other person connected with the Company, may have an interest, relationship or arrangement that is material in relation to the transaction concerned or that conflicts with the Client’s interest. The Company hereby identifies and discloses a range of situations and circumstances which may give rise to a conflict of interest and potentially but not necessarily be detrimental to the interests of one or more Clients.
- 3.2. For the purposes of identifying the types of conflicts of interest that may arise in the course of providing investment services whose existence may damage the interest of a Client, the Company takes into account, whether the Company or a relevant person, is in any of the following situations:
  - The Company or a relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
  - The Company or a 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;
  - The Company or a 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;
  - The Company or a relevant person carries on the same business as the Client;
  - The Company or a 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. IDENTIFICATION OF CONFLICT OF INTEREST

- 4.1. While it is not feasible to define precisely or create an exhaustive list of all relevant conflicts of interest that may arise, as per the current nature, scale and complexity of the Company's business, the following list includes circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more Clients, as a result of Services:
- The Company may be advising and providing other services to associates or other Clients of the Company who may have interests in Financial Instruments or Underlying Assets, which are in conflict or in competition with the Client's interests;
  - The Company may have an interest in maximizing trading volumes in order to increase its commission revenue, which is inconsistent with the Client's personal objective of minimizing transaction costs;
  - The Company may receive commissions and/or other inducements from its Liquidity provider for the transmission of Client Orders;
  - The Company's employee bonus scheme may award its employees based on the financial results of the Company which are linked/associated with the trading volume generated by Clients;
  - the Company or a Related 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;
  - the Company or a Related person has a financial or other incentive to favour the interest of another Client or group of Clients over the interests of the Client;
  - the Company or a related person carries on the same business as the Client;
  - The Company may have relationships with many third party product providers/financial institutions who may remunerate the Company via inducements/commissions/fees and the Company may favour one over another in the recommendation process if higher inducements/commissions/fees are provided;
  - We may compensate providers of strategies which are copied by other clients, based on number of subscribers they have.

#### 5. PROCEDURES AND CONTROLS FOR MANAGING CONFLICTS OF INTEREST

- 5.1. In general, the procedures and controls that the Company follows to manage the identified conflicts of interest include the following measures (list is not exhaustive):
- The Company undertakes ongoing monitoring of business activities to ensure that internal controls are appropriate.
  - The Company undertakes effective procedures to prevent or control the exchange of information between Related 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.
  - The separate supervision of Related Persons whose principal functions involve providing services to Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company.
  - Measures to prevent or limit any person from exercising inappropriate influence over the way in which the Related Person carries out investment services.
  - Measures to prevent or control the simultaneous or sequential involvement of a Related Person in separate investment services where such involvement may impair the proper management of conflicts of interest.
  - A policy designed to limit the conflict of interest arising from the giving and receiving of inducements.
  - Chinese walls restricting the flow of confidential and inside information within the Company, and physical separation of departments.





- Procedures governing access to electronic data.
- Segregation of duties that may give rise to conflicts of interest if carried on by the same individual.
- Personal account dealing requirements applicable to Related Persons in relation to their own investments.
- Establishment of Compliance Department to monitor and report on the above to the Company's Board of Directors.
- Prohibition on officers and employees of the Company having external business interests conflicting with the interests of the Company without the prior approval of the Company's board of directors.
- A "need-to-know" policy governing the dissemination of confidential or inside information within the Company.
- Appointment of Internal Auditor to ensure that appropriate systems and controls are maintained and report to the Company's Board of Directors.
- Establishment of the "four-eyes" principle in supervising the Company's activities.

## 6. CLIENT'S CONSENT

- 6.1. By entering into a Client Agreement with the Company for the provision of Services, the Client is consenting to an application of this Policy on him. Further, the Client consents to and authorises the Company to deal with the Client in any manner which the Company considers appropriate, notwithstanding any conflict of interest or the existence of any material interest in a Transaction, without prior reference to the Client. In the event that the Company is unable to deal with a conflict of interest situation it shall revert to the Client.

## 7. DISCLOSURE OF INFORMATION

- 7.1. If during the course of a business relationship with a Client or group of Clients, the organizational or administrative arrangements/measures in place are not sufficient to avoid or manage a conflict of interest relating to that Client or group of Clients, the Company will disclose the conflict of interest before undertaking further business with the Client or group of Clients.

## 8. AMENDMENTS OF THE POLICY AND ADDITIONAL INFORMATION

- 8.1. The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate according to the terms of the Client Agreement between the Company and the Client.

## 9. LANGUAGES

- 9.1. Language of communication between the Company and the Client shall be in English. All binding contractual documentation is available in English.
- 9.2. Upon its sole discretion the Company, may communicate with the Client in other language than English, however in case of any discrepancy between the meanings of any communications and/or meanings, or any other communications forming part of this Policy or any other agreements, information or communication in any other language, the meaning of the English Language version shall prevail.





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- 9.3. The Company or third parties may have provided the Client with translations of this Policy. The original English versions shall be the only legally binding version. In case of discrepancies between the English version and other translations in the Client's possession, the original English version provided by the Company on the website shall prevail.

