

# Summary Conflicts of Interest Policy

## FT INVEST LTD



## I. Introduction

FT Invest Ltd (herein after the “Company”) is required to take all appropriate steps to detect and avoid conflicts of interest. The Company is committed to act honestly, fairly and professionally and in the best interests of its clients when providing investment services and other ancillary services related to such investment services. The Company provides herein a summary of the policy it maintains in order to identify and manage conflicts of interest in respect of the duties it owes to its clients.

## II. Scope

The Summary of Conflicts of Interest Policy (“Policy”) applies to all its directors, employees, any persons directly or indirectly linked to the Company (“related persons”) and refers to all interactions with all clients and potential clients.

A conflict of interest arises where there is a reason within the Company’s control that prevents it from putting the interests of its clients before those of the Company and its employees, or the interests of one client or group of clients ahead of another client. In such a situation, the Company must pay due regard to the interests of each client and manage any potential conflicts of interest accordingly.

The underlying principle that must be followed at all times is that the interests of a client must always be put before the interests of the Company and/or its employees. A conflict may exist, or be perceived to exist, if an employee’s activity is, or may reasonably give the appearance of being, inconsistent with the best interests of the Company’s clients.

## III. Identification of Conflicts of Interest

When the Company deals with 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 it conflicts with the client’s interest.

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 providing investment services:

- a) The Company may receive or pay inducements to or from third parties due to the referral of new clients or clients' trading.
- b) The possible use or dissemination of confidential information derived from the Brokerage Department or other business units of the Company (e.g. front running).

- c) 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.
- d) The interest of relevant persons, shareholders, directors or agents of the Company in clients, and vice versa.
- e) The remuneration scheme of employees/relevant persons which may be based on the clients' trading volumes or value of trades placed by retail clients.
- f) The remuneration of third parties where the interest of a client conflicts with the interest of the third party.
- g) The persons producing marketing communication and other relevant persons, whose responsibilities to business interest may conflict with the interests of the persons to whom the marketing communication is disseminated.

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, is in any of the following situations, whether as a result of providing investment or ancillary services or investment activities or otherwise:

- a) The Company or a relevant person is likely to make a financial gain, or avoid a financial loss, at the expense of the client.
- b) 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.
- c) 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.
- d) The Company or a relevant person participates in the same business as the client.
- e) 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 monetary or non-monetary benefits or services.
- f) The Company or the relevant person is in possession of information obtained in the ordinary course of their business which would benefit the Company or the relevant person or the Group or the client but such information is not publicly known.

## IV. Procedures and Controls to Managing Conflicts of Interest

In general, the procedures and controls that the Company follows to identify and manage conflicts of interest include the following, but not limited, measures:

- 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 remuneration practices should be designed in such a way so as not to create a conflict of interest or incentive for staff to favour their own, or the Company's interests to the potential detriment of any client. 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) The Board of Directors of the Company sets out the Company's arrangements to ensure that its compensation arrangement will not give rise to conflicts of interest between the Company, its relevant persons, employees and clients.
- e) 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.

Such measures include, but are not limited to, the following:

- a) A 'need to know' policy governing the dissemination of confidential or inside information within the Company.
- b) Procedures governing access to electronic and/or in hard copy data and information.
- c) Segregation of duties that may give rise to conflicts of interest if carried on by the same individual.
- d) Personal account dealing requirements applicable to relevant persons in relation to their own investments.
- e) A gifts and inducements log registering the solicitation, offer or receipt of certain benefits.
- f) Prohibition of external business interests conflicting with the Company's interests as far as the Company's officers and employees are concerned, unless Board of Directors approval is provided.

- g) A policy designed to limit the conflict of interest arising from the giving and receiving of inducements.
- h) Establishment of in-house Compliance Function to monitor and report on the above to the Company's Board of Directors.
- i) Establishment of four-eye principle in supervising the Company's activities.

The Company undertakes of ongoing monitoring of business activities to ensure that internal controls are appropriate.

The Compliance Officer keeps and updates a list of Group employees, which come into contact with the Company or its clients, directly or indirectly, as applicable.

## **V. Client's Consent**

By entering into a Client Agreement with the Company for the provision of Investment and/or Ancillary Services, the client is consenting to the application of this Policy to them. Furthermore, 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.

For your benefit and protection, please take sufficient time to read this and any other additional documentation and information available to you via our website, prior to opening an account with the Company.

## **VI. Disclosure of Information**

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.

If the Company believes that a disclosure is sufficient to manage a conflict, the Company may choose not to proceed with the transaction or matter giving rise to the conflict

## **VII. Amendment to the Policy**

The Company reserves the right to review and/or amend its Policy and arrangements whenever it deems this appropriate without notice to the client. The latest version of this Policy is available on the Company's website.