



# Finance Managers Co. Limited Conflicts Policy



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## Conflicts Policy

### Conflicts Policy – Introduction

As a financial institution Finance Managers Co. Limited (hereafter “Finance Managers”) face actual and potential conflicts of interest from time to time. By identifying the existing and potential conflicts of interest, Finance Managers endorse all reasonable steps to establish, implement and maintain an effective conflicts of interest policy to prevent any risk that may damage the interests of our customers.

This statement discloses the conflicts of interest you, as an existing or potential customer or might face when engaging in business dealings with Finance Managers; the laws and regulations subject to conflicts of interest that Finance Managers is required to comply with; and the policy Finance Managers adopts for the aim of preventing and managing the conflicts of interest.

### Identification and Examples of Conflicts that might arise

In general, conflicts of interest may be caused by the superior knowledge of employees and the variety of products on offer and may arise between a firm and a customer, or between a customer and another customer.

When a firm provides service to a customer, conflicts of interest may arise in one or more of the following situations when a firm or a relevant person:

- is likely to make a financial gain, or avoid a financial loss, at the expense of the customer
- has an interest in the outcome of a service provided to or a transaction carried out on behalf of the customer, which is different from the customer’s interest in that outcome;
- has a financial or other incentive to favour the interest of another customer(s) over the interests of the customer;
- carries on the same business as the customer; or
- receives or will receive from a person other than the customer an inducement, other than standard commission or fee in relation to a service provided to the customer.

In respect to Finance Managers, the following is the main conflict of interest that may occur when providing services to our customers; You may have been

Due to CFTC regulatory restrictions and in accordance with the Dodd–Frank Act, FINANCE MANAGERS CO. LIMITED CANNOT OPEN ACCOUNTS FOR RETAIL CUSTOMERS WITH RESIDENCE IN THE UNITED STATES\*.

\*A United States resident means any of the following: any natural person resident of the United States; any company, partnership, or other legal entity created or organised under the laws of any jurisdiction of the United States; a branch or agency of a foreign entity located in the United States; a trust of which the trustee is a United States resident; an estate of which a United States resident is the executor or administrator; or any account held for the benefit of a United States resident.

introduced to us by a third party who receive remuneration from your trades.

## Laws and Regulations

The VFSC recognises that conflicts of interest exist in financial services industry and does not aim to eliminate them. Nevertheless, Principle 3 of the VFSC's Guidance Notes on Market Practice and Code of Conduct for Financial Dealers sets out that "where a conflict of interest arises a Dealer should ensure fair treatment to all its customers by disclosure, internal rules of confidentiality, declining to act or otherwise. It should not unfairly place its interests above those of its customers. Where a properly informed customer would reasonably expect that the licensed dealer would place his interests above its own, the licensed dealer should live up to that expectation".

## Finance Managers Policy

As required by law, Finance Managers implements and maintains an effective conflicts of interest policy for the aim of preventing conflicts of interest or potential conflicts of interest from causing a material risk of damage to the interests of customers.

We keep records of our business activities so that we can identify any conflict that might arise that would have a material risk of damage to the interests of our customers. Our conflicts of interest policy adopts procedures and measures to manage and control the conflicts of interest identified, including segregation of duties and responsibilities; separate supervision of relevant persons; prevention and control of the exchange of information; acting on the best interest of the customers; and in some cases declining to act for a customer or potential customer.

## Disclosure

Whilst Finance Managers is devoted to implement and maintain our conflicts of interest policy, in some cases, such policy might not be sufficient to prevent risks of damage to the interest of a customer. In such a case, Finance Managers shall disclose the general nature and sources of conflicts of interest to the customer so that enables the customer to make an informed decision whether to proceed with the transaction in question.

## Review

Finance Managers is devoted to provide more services and products to meet our customers' demand. At the same time, our compliance frequently reviews and assesses our conflicts of interest policy so that can ensure the adequacy of such policy in compliance of the VFSC rules.