



AIMSCAP

AURIC INTERNATIONAL MARKETS (CAMBODIA) CO., LTD

**NEGATIVE
BALANCE
PROTECTION
POLICY**

NEGATIVE BALANCE PROTECTION POLICY

Introduction

A contract for difference ("CFD") is an agreement between an investor and a CFD broker to exchange the difference in the value of a financial product between the time the contract opens and closes. CFD trading is a popular form of derivative trading which enables a trader to speculate on the rising or falling prices of fast-moving global financial markets, such as foreign exchanges, indices, commodities, shares and treasuries.

As CFD is a leveraged product, it allows clients to greatly reap the potential profits of a trade but it can also cause potential losses to clients due to instances when losses incurred are possibly higher than the original capital invested.

With the implementation of Negative Balance Protection, losses incurred are never higher than the account balance of the client.

Scope

Auric International Markets (Cambodia) Co., Ltd (hereafter the "Company") is a STP derivative broker incorporated and registered under the Securities and Exchange Regulator of Cambodia (SERC) .

For the benefit of all Company's clients, the Company has implemented a Negative Balance Protection Policy ("NBPP"), on a per account basis, whereby the client cannot lose more than his invested capital.

Nonetheless, the client is expected to actively monitor and manage open positions in the account and to contact the Company about options if the account is close to a margin call. The client agrees not to abuse the NBPP and acknowledges that the Company reserves the right, at its sole discretion, to immediately terminate the client's access to the trading account and to recover any losses caused by the client in the case of abuse.

In the unlikely event that a negative figure occurs in the account of the Company's client due to instances such as a market gap, the Company will credit the said account to zeroize the balance within the same trading day.

The NBPP will however only be applied to a client's first account and can be implemented upon the said client's request as long as there are no instances of account and or policy abuse.

The Company may consider the following, whether intentional or unintentional, to be attempts to abuse the policy, by way of, but not limited to:

- i. hedging exposure by way of multiple trading accounts, whether in the client's name or in connection with another client;
- ii. a cash withdrawal request made from the account which causes a drop in the margin level to 50% or lower;
- iii. using arbitrage to intentionally take advantage in gaps or delays in the data feed in such a way that it creates an exceptionally large exposure for the Company; and or failure to take reasonable and responsible action to ensure open positions are managed in order to reduce the risk of loss.

In the event that a negative balance occurs in a client's first account, the said client is allowed to open a second or third account with the Company by first requesting to reset his first account and subsequently depositing into his second or third account. The subsequent accounts, however, will not be protected against negative balance(s) and in the event of such, the said client will have to reimburse the same to the Company.

In the event that a negative balance occurs in a client's first trading account over the course of normal trading, the Company will fully cover the losses.