



TradeZero Canada
Securities ULC
Conflict of Interest
Statement

Effective: May 23, 2023



TradeZero Canada Securities ULC ("TZC", "we" or "us") and our representatives may have interests that are inconsistent with your interests. This may give rise to an actual or perceived risk that we favour our interests over yours as our client.

We act fairly, honestly and in good faith with you and our other clients. To this end, we avoid material conflicts of interest that we cannot effectively address and conflicts that are prohibited by law.

We have adopted policies and procedures to identify and address all remaining material conflicts in your best interests, including:

- Conflicts from our being a member of the TradeZero group of affiliated entities (the "TradeZero Group").
- Conflicts from vendor selection and/or outsourcing arrangements
- Conflicts arising out of competing interests among our clients
- Conflicts caused by compensation practices and incentive programs
- Conflicts due to our employees' outside activities
- Conflicts related to certain referral arrangements

Further details on each of the conflicts summarized above is disclosed to you in this Conflict of Interest Statement. Other actual and potential material conflicts of interest, if not avoided, will be disclosed to you as they arise. Our representatives are also subject to a Code Ethics as part of our policies and procedures.

1. Conflicts from our being a member of TradeZero Group

TradeZero is the brand name used by several affiliated subsidiaries of TradeZero Holding Corp. including TZC, a Canadian broker dealer, member firm of IIROC and CIPF, TradeZero America, Inc., a United States broker dealer, registered with the SEC and member of FINRA and the SIPC; and TradeZero, Inc., a Bahamian broker dealer, registered with the Securities Commission of the Bahamas (collectively, the "TradeZero Broker Dealers"). TradeZero Broker Dealers offer self-directed electronic securities trading to their customers. TradeZero Broker Dealers do not provide financial or trading advice and do not make investment recommendations to their customers.

We may enter into arrangements with other companies within the TradeZero Group including routing client orders to our affiliate, TradeZero America, Inc., for trade execution. TZC establishes service agreements between it and other applicable members of the TradeZero Group so that such parties agree to the services provided and their obligations.

TZC may make information about you available to other members of the TradeZero Group. TZC has policies that are reasonably designed to ensure that TZC complies with applicable privacy laws and regulations with respect to the handling of client information. For further information on when TZC shares your information, please see our [Privacy Policy](#).

2. Conflicts from vendor selection and/or outsourcing arrangements

TZC outsources certain activities which could result in the perception as favoring certain vendors that provide TZC with certain benefits or rebates. TZC has policies that are reasonably designed to ensure that TZC controls costs will mitigate risks associated with the vendors.

3. Conflicts arising out of competing interests among our clients

Best Execution: Best execution means obtaining the most advantageous execution terms for a client order that are reasonably available under the circumstances. TZC has established policies and procedures that are designed to achieve best execution when acting for a client. These policies and procedures take into consideration factors such as price, speed of execution, certainty of execution and the overall cost of the transaction, when costs are passed on to clients.

Notwithstanding the foregoing, orders entered by more than one client at the same time may at times be filled at different prices and at different speeds.

TZC engages the execution services of other broker/dealers registered in the U.S. for U.S. listed equities and options. It fulfills best execution under with IROC Plain Language Rulebook Sections 3119 to 3129 by overseeing the best execution of client orders. This includes a review of those broker/dealers' publicly available client disclosure and order routing practices as well as the regular review of their execution results.

4. Conflicts caused by compensation practices and incentive programs

Revenue Earned by Personnel: TZC representatives and other employees are compensated on the basis of salary and overall firm performance. No compensation is paid on the basis of sales at TZC or assets held in client portfolios.

Revenue Earned by TZC: In the U.S., payment for order flow may be paid to us or other members of the TradeZero Group by trading destinations (including electronic communication networks, market makers and exchanges) when we direct client orders to them. We monitor and oversee our order routing and order executions to ensure that you receive best execution and fair pricing of orders.

Different products, platforms and add-ons, and trading in certain products or on different markets may have differing levels of fees. Our compensation plans do not incentivize our representatives to recommend specific products, services, or markets including any particular type of trading platform.

5. Conflicts due to our employees' personal activities

Outside Business Activities: At times, our employees may participate in outside business activities such as participating in community events, pursuing personal outside business interests or serving on a board of directors of a charity (with compensation). Before engaging in any outside business activity, our policies require these individuals to disclose situations where a conflict of interest may arise and to determine how such conflicts may be addressed. Our employees may only engage in such outside business activities if approved by the Compliance Department under our policies. The

approval may be subject to terms and conditions that help address perceived or actual conflicts of interest. Our employees are also required to annually review their outside business activity submission for accuracy and completeness.

Gifts and Entertainment: Our employees are not permitted to accept gifts or entertainment beyond what we consider consistent with reasonable business practice under our policies and with applicable laws. We set maximum thresholds for permitted gifts and entertainment to avoid any perception that the gifts or entertainment will influence decision-making.

Personal Trading: Our policies require our employees to act in accordance with applicable laws that prohibit insider trading, front running and similar conduct. Individuals are required to obtain prior approval before opening personal trading accounts. Our employees are also prohibited from accessing non-public information for their direct or indirect personal benefit. We place securities on a “restricted list” to avoid trading when we have non-public information.

Personal Dealings with Clients: Exceptionally, our employees may have additional relationships or dealings with our clients. Conflicts of interest can arise where an employee has personal financial dealings with you, such as acquiring assets outside of your investing relationship, borrowing money from or lending money to you, or exercising control over your financial affairs.

To address these conflicts, TZC has policies and procedures in place which prohibit personal financial dealings with clients who are not family members, other TZC employees or otherwise in a special relationship. These exceptions require the requires the prior review and approval by the Compliance Department.

6. Conflicts related to referral arrangements

Referrals are an important part of our business. Clients may introduce friends and family members to TZC through a “refer a friend” program where existing clients receive account credits if a referred party opens and funds an account with TZC. TZC may also market its services through partnerships with third parties who promote TZC services to their clients via their online social media presence. We have policies in place to monitor and manage the risk of an actual or potential conflict of interest due to our referral arrangements including providing clients disclosure of those arrangements.

We may refer potential clients to another TradeZero entity. The purpose of these internal referrals is to better align your financial goals in another jurisdiction with the TradeZero entity that is best placed to provide the specific services or products in that jurisdiction. All registerable activities will be provided by the registrant receiving the referral. We may pay a referral fee to the TradeZero entity that refers you (a “Referring Entity”). Likewise, we may receive referral fees when we refer you within TradeZero. Clients do not pay any additional charges and fees in connection with internal TradeZero referrals and are not obligated to purchase any product or service in connection with such referral.