New TradeFx

tradefxservices.com

High-Frequency Trading (HFT), Scalping & Abusive Trading Policy

Our commitment to fair markets, transparent trading and a secure environment for all.

Fair Markets
Equal Opportunity

Transparent
Real-time Clarity

Secure
Your Safety First

Trusted
Reliable & Compliant

Secure Trading
Your Safety, Our Priority.

Trade Smart.
Trade with New TradeFx.

High-Frequency Trading (HFT), Scalping & Abusive Trading Policy

Governing fair-use, execution integrity and abusive-trading standards for all trading accounts

Applicable To	All New TradeFx Services trading accounts, clients, IBs and associated trading activity
Document Type	Compliance & Risk Management Policy
Classification	Client-Facing / Terms & Conditions Annex
Website	tradefxservices.com

Table of Contents

1. Purpose

New TradeFx Services ("Company", "we", "us" or "our") is committed to maintaining fair, orderly and sustainable trading conditions for all clients and to protecting the integrity of its execution environment and liquidity relationships.

To achieve this objective, the Company does not permit trading strategies or practices that are designed to exploit execution latency, pricing discrepancies, technical vulnerabilities, stale quotations, or other characteristics of the Company's trading infrastructure rather than genuine market movements.

This Policy forms part of the Company's Terms and Conditions and applies in addition to any other applicable trading, risk-management, anti-abuse, and client agreement provisions.

2. Definition of High-Frequency Trading (HFT)

For the purposes of this Policy, High-Frequency Trading ("HFT") means trading activity involving an unusually high frequency of order placement, modification, execution or cancellation, particularly where such activity is conducted through automated systems, Expert Advisors (EAs), algorithms, scripts, APIs, VPS infrastructure or other technological means to obtain an execution-speed or pricing advantage.

The Company may classify a trading strategy as HFT based on the overall characteristics of the activity, including but not limited to:

- Frequency and volume of transactions
- Average and median trade duration
- Number of trades opened and closed within very short periods
- Order modification and cancellation patterns
- Execution latency
- Use of automated trading systems
- Repeated exploitation of price-feed or execution discrepancies
- Correlation between client activity and external/reference pricing feeds
- The apparent purpose and economic substance of the trading strategy

3. Minimum Trade Duration

3-Minute Threshold

Any position that is opened and subsequently closed within three (3) minutes / 180 seconds may be classified as an HFT or ultra-short-term scalping transaction.

Repeated transactions with a holding period of less than three (3) minutes will be considered a significant indicator of HFT, tick scalping, latency-based trading, or other potentially abusive trading activity.

The three-minute threshold is an internal risk and compliance criterion and does not constitute a universal legal definition of HFT.

A single short-duration trade may be reviewed in context; however, a recurring pattern of trades below the three-minute threshold may result in the account being classified as engaging in prohibited HFT or abusive trading.

4. Prohibited Trading Practices

The following practices are strictly prohibited on New TradeFx Services accounts:

Practice	Description
4.1 High-Frequency Trading	Executing a large number of trades within exceptionally short periods, particularly where the activity is systematically designed to exploit execution speed, micro-price movements, or technical characteristics of the trading environment.
4.2 Ultra-Short-Term Scalping	Repeatedly opening and closing positions within three (3) minutes, where the pattern indicates an HFT, tick-scalping, execution-exploitation or similar strategy.
4.3 Latency Arbitrage	Any strategy designed to profit from differences in execution speed, price-feed latency, server latency, delayed quotations, or discrepancies between the Company's prices and external or third-party pricing sources.
4.4 Stale Price / Off-Market Price Exploitation	Trading with the intention of exploiting an incorrect, stale, delayed, abnormal or technically erroneous quotation where the client knows, or reasonably should know, that the quoted price does not represent a normal market price.
4.5 Price Feed Exploitation	Any attempt to identify or systematically exploit delays, interruptions, technical errors, synchronization issues or discrepancies in price feeds.
4.6 Arbitrage Designed to Exploit Technical Inefficiencies	Arbitrage or related trading strategies may be prohibited where their primary purpose is to exploit technical, execution, pricing, liquidity or system-related discrepancies rather than genuine market risk. Includes, without limitation: latency arbitrage; feed arbitrage; reverse arbitrage; cross-broker execution arbitrage; price-delay arbitrage; technical arbitrage; exploitation of erroneous quotes; and other substantially similar strategies.
4.7 Tick Scalping / Micro Scalping	Entering and exiting positions based primarily on individual ticks or extremely small price movements, particularly when performed repeatedly through automated or high-speed execution.

Practice	Description
4.8 Excessive Order Activity	Submitting excessive numbers of orders, modifications, cancellations or requests that place an unreasonable load on the Company's trading infrastructure or are inconsistent with normal trading activity.
4.9 Technical or System Exploitation	Attempting to exploit bugs, system errors, execution anomalies, incorrect margin calculations, pricing errors, platform vulnerabilities, server issues or any other technical weakness for financial gain is strictly prohibited.
4.10 Manipulative or Abusive Activity	Any activity intended to manipulate prices, execution, liquidity, trading conditions or the Company's systems is prohibited. Includes, where applicable: spoofing; layering; wash trading; artificial order generation; coordinated trading designed to manipulate execution; front-running or misuse of non-public information; artificial volume generation; and any other conduct that may constitute market abuse or unlawful trading activity under applicable law.

5. Automated Trading Systems, EAs and Algorithms

The use of an Expert Advisor, trading bot, algorithm, API, script or other automated trading technology does not by itself constitute a violation.

However, any automated system that engages in prohibited HFT, latency arbitrage, stale-price exploitation, excessive order activity or other abusive trading practices will be subject to this Policy.

The Company reserves the right to investigate the trading behaviour of automated systems and may require information regarding the strategy, execution logic or source of trading activity where reasonably necessary for compliance, risk-management or investigation purposes.

6. Trade Review and Detection

New TradeFx Services may use automated monitoring systems, execution records, server logs, transaction history, tick data, order timestamps, pricing records, execution reports and other available information to identify potentially prohibited trading activity.

The Company may consider the overall trading pattern rather than relying solely on an individual transaction. Factors that may be considered include:

- Trade holding time
- Trade frequency
- Number of trades per minute/hour/day
- Entry and exit timing
- Profit concentration in very short-duration transactions
- Execution latency
- Price discrepancies
- Order-to-trade ratio
- Order modification/cancellation behaviour
- Repeated execution around pricing anomalies
- Account-to-account trading patterns
- Similarity to known abusive trading patterns

7. Investigation Rights

Where the Company reasonably suspects prohibited trading activity, it may place the relevant account or transactions under review.

During such review, the Company may, subject to applicable law and contractual obligations:

- Request additional information from the client
- Review historical trading activity
- Review individual transactions and execution records
- Analyse server and price-feed data
- Review related accounts
- Temporarily restrict certain trading activity
- Delay processing of a withdrawal until the investigation is completed

The Company may use its internal records and available third-party data to determine whether trading activity is inconsistent with this Policy.

8. Consequences of Violation

If a client is determined to have engaged in prohibited HFT, latency arbitrage, abusive scalping, technical exploitation or other prohibited trading activity, New TradeFx Services may take one or more of the following actions, subject to the applicable Client Agreement and law:

1. Issue a warning or compliance notice
2. Restrict or modify trading conditions
3. Restrict automated trading or certain order types
4. Close or reject affected positions where permitted
5. Void, reverse or adjust transactions that resulted from demonstrable pricing, execution or system abuse, where permitted
6. Remove or withhold profits attributable to prohibited or abusive activity, where contractually and legally permitted
7. Suspend the relevant trading account
8. Terminate the Client Agreement
9. Restrict or terminate related accounts
10. Refer suspected unlawful or market-abusive conduct to the appropriate authority where required or appropriate

Any action taken will depend upon the nature, severity, frequency and circumstances of the activity.

9. Profits Derived From Prohibited Activity

Where the Company determines that profits were generated directly or materially through prohibited trading activity, including latency arbitrage, stale-price exploitation, technical exploitation or other abusive practices, such profits may be deemed ineligible for withdrawal, subject to the Company's Client Agreement and applicable law.

The Company may distinguish between legitimate trading activity and transactions that are reasonably determined to have resulted from prohibited conduct.

10. Introducing Broker (IB) Commission on Prohibited Trading Activity

Where a Client introduced by an Introducing Broker (“IB”) is determined to have engaged in prohibited HFT, ultra-short-term scalping, latency arbitrage, or any other activity prohibited under Section 4 of this Policy, the trading volume, lots and profits generated from such prohibited activity will not be counted toward IB commission, rebate or incentive calculations.

No commission, rebate or other remuneration will be generated or paid to the IB in respect of trades, lots or profits arising from a Client's prohibited HFT or scalping activity. This exclusion applies automatically upon classification of the relevant trades as prohibited under this Policy, and operates independently of any action taken against the underlying Client account under Section 8, or against the Client's own profits under Section 9.

Worked Example

An IB's commission is calculated only on a Client's legitimate trading volume. Volume or profit arising from trades classified as prohibited HFT or scalping under Section 4 is excluded before commission is calculated — it is never generated in the first place.

Illustration: A Client introduced by IB "Partner A" trades 500 standard lots in a calendar month. The applicable IB commission rate is $7 per lot. Of the 500 lots, 150 lots are subsequently classified as ultra-short-term scalping under Section 3 (holding period under three (3) minutes).

	Legitimate Trades	Prohibited Trades (HFT/Scalping)	Total
Lots Traded	350	150	500
Commission Rate	$7 / lot	$7 / lot	—
IB Commission Generated	$2,450	$0 (excluded)	$2,450

Although the account traded 500 lots in total, IB commission is generated only on the 350 legitimate lots. The $1,050 that would otherwise have been payable on the 150 prohibited lots (150 × $7) is not generated and will not be paid to the IB.

The same principle applies to revenue-share or profit-based commission structures: where a Client's profit for a period includes an amount attributable to prohibited trading activity, the IB's commission is calculated only on the portion of profit derived from legitimate trading, and not on the portion attributable to prohibited conduct.

11. No Guarantee of Execution Conditions

The Company does not guarantee any particular execution speed, spread, liquidity level, fill rate, price, slippage or latency.

Market conditions, liquidity, volatility, technological conditions, connectivity and third-party liquidity providers may affect execution.

A client's ability to obtain a profit from a temporary pricing or execution discrepancy does not, by itself, establish a contractual entitlement to that profit where the discrepancy resulted from an erroneous, delayed or technically abnormal quotation or execution condition.

12. Market Abuse and Applicable Law

Nothing in this Policy is intended to imply that all forms of HFT or short-term trading are unlawful.

However, certain practices associated with HFT — such as spoofing, manipulation, front-running, fraudulent activity, intentional exploitation of system vulnerabilities or other forms of market abuse — may be prohibited or unlawful under applicable laws and regulations.

Clients are solely responsible for ensuring that their trading activities comply with all applicable laws, regulations and contractual requirements.

13. Company's Discretion

New TradeFx Services reserves the right to determine, based on available trading, execution and technical evidence, whether a particular trading strategy or pattern constitutes prohibited HFT, scalping abuse, latency arbitrage, technical exploitation or other abusive activity.

The Company may update this Policy from time to time to reflect changes in market conditions, liquidity-provider requirements, technology, regulatory expectations and risk-management standards.

14. Acceptance of This Policy

By opening, maintaining or using a trading account with New TradeFx Services, the Client acknowledges that they have read, understood and agreed to comply with this High-Frequency Trading, Scalping & Abusive Trading Policy.

Continued use of the Company's trading services constitutes acceptance of the Policy as amended from time to time.

Queries regarding this Policy, or requests to review an HFT or scalping classification applied to an account, can be raised via tradefxservices.com.

Reservation of Rights
New TradeFx Services reserves all rights available to it under the Client Agreement and applicable law.