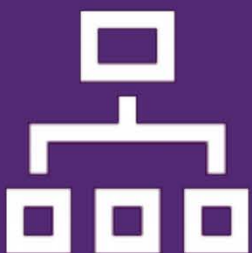


# HOW TO WORK WITH MANAGED ACCOUNTS EFFECTIVELY AND LEGALLY?

As EU laws are becoming more strict, money managers, strategy providers and investors will need to do more operative work or they will be limited by the regulations. Getting new customers on board may become difficult. See how to overcome these challenges to succeed!



# SHARE THIS E-BOOK

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# INTRODUCTION

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It is Monday morning and you are sitting at your trading station. You are pressing the power button on your PC and mentally preparing yourself for another trading week when you need to concentrate fully on trading in the financial markets.

You are opening the trading platform where you are going to place new orders within the next trading hours. But before trading starts, you will read the market news to find out what is going to happen today. When you see the “high impact” news, you know that it is going to be one of those crazy days on the market.

As you drink your morning coffee, you are thinking about the trading goals for this week and you have mixed feelings. You believe in your trading strategy that has performed very well for the last months, but you still have doubts in your head and worry what might happen if this strategy doesn’t make a profit.

You take the last sip of coffee and you feel much stronger and all doubts are suddenly fading. You can feel the adrenaline rushing into your blood and your main trading session is opening.

You believe in yourself and in your trading style! And you believe in the tools and support that you get from your broker. For just a moment you recall how much harder it was before you used the Strategy Provider Solution. Nevertheless, you don’t dwell on the past for long. Now that you have adapted to the improved workflow, you don’t need to look back!

But for those who have not adapted yet, let’s do an overview of these many benefits Strategy Provider Solution can provide you with.

# EU REGULATED ENVIRONMENT

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If you want to have a clear mind and just focus on trading, it is essential that you have all the legal aspects of providing the strategy to others covered.

Most Forex Strategy Providers, Money Managers or PAMM traders are usually contracted directly with the customer by some sort of POA (Power of Attorney) or use an offshore entity to protect themselves from a strict regulation. However, these two options are not enough for a complete peace of mind. It is not a good solution when you can't publicly offer strategies to your customers in their mother language and you need to hide yourself from your local regulator.



It also slows down your business. You cannot promote your services as you wish because you know that you need to have the appropriate licenses.

Furthermore, EU regulators have become stricter even in cases when you are just a signal provider using a copy trading system or a social trading platform. EU Regulators require licenses for these services. But what can you do now? The license for managed funds costs tens of thousands USD and you need to go through a long procedure with no guaranteed outcome.

## **Purple Trading - managed accounts solutions**

For that reason, Purple Trading is licensed to offer portfolio management services through an investment firm, which further allows you to become a strategy provider in a fully regulated environment. Simply put, this structure will regulate trades that come through the Purple Trading system and move you to a completely legal and regulated business field.

Regulation of copy trading, managed accounts or similar alternative investments makes sense, as there are many “scam” strategy and signal providers who get rebates from every single trade and who intentionally place huge amount of orders just to increase their volume and not for their investors' profit.

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Purple Trading's regulated structure is a protection measurement that is in both the provider's and clients' best interest, if the Strategy Provider really wants to trade with the goal of making money for his investors. Surely it is not possible to guarantee any profits, and if an unexpected loss does happen, there are no financial penalties for the trader, let's admit it. However, the EU regulated structure has procedures and controls in place to monitor and identify any inappropriate behavior by a strategy provider and it is a great advantage and a wonderful selling point that serves to clients' best interest.

### **How does it work?**

The strategy provider signs a "Strategy Provider Agreement" with the regulated entity and starts providing trading signals from the platform. The strategy provider can keep trading on his already existing MT4 real account, either in Purple Trading or with any other reputable broker (and he will just provide Purple Trading with the investor access to his platform). It does not matter whether the signals are placed discretionally or by an Expert Advisor.

Suitable Investors who want to choose the strategy can simply connect their account to it via Purple Zone and they will automatically follow all the strategy's trades. Investors can also withdraw their funds anytime and they can benefit from the same advantages they were used to with the previous managed accounts program, just with much higher level of protection and security.

With this program you can have "a peace of mind", and you do not need to worry about offering your investors any non-regulated services. And, on top of that, it helps you promote your trading strategies much better and get significantly more investors on board.

# INDIVIDUAL BUSINESS CONSULTANCY

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Remember the first time you started trading? It was probably a couple of years ago, huh? You chose your brokerage thanks to their online campaign or one of their introducing brokers recommended their services to you. You were glad that you got the platform for free and there was a lot of information available inside. Maybe you liked their market analysis or the bonus for your first deposit. But don't you think that you have grown beyond using your broker just for these "cheap" sales techniques?

If you want to do a serious account management or strategy providing business, you need to have a brokerage that treats you like an equal partner. Someone who won't try to sweet talk you or give you a sales pitch, but instead, a brokerage that will talk to you like to a partner. A brokerage that will be here for you as a friend when you need him.

## **Why is it important to choose a brokerage that behaves like an adult?**

Instead of giving you worthless cheap offers, Purple Trading will give you the customized conditions that are suitable for your own trading strategy and will connect you to the best liquidity based on your requirements. We have a dedicated whole MT4 server just for the Strategy Providing solution to secure the stable trading infrastructure and at the same time to keep enough flexibility.

In the first meeting, we do not press you to sign a contract, instead, we consult your needs and suggest the best solutions. We help you with all the operational and back-office work. We can also create a special agreement and help with getting the new clients for you. We have done that many times already.

This is exactly how Purple Trading business representatives do their job. They want to understand what you need and what your previous experience with another broker was. They want to know what you liked and disliked there. They will explore what you are looking for and what we can do in order to help. Then we present the solution for your problems and focus on features that are most suitable for you. It is all about having a discussion in order to see where our services match up with your needs!

## **Contracts based on your needs**

Then the Purple Trading team prepares all the conditions and agreements discussed in our first meeting, and goes over the details with you. Our goal is to give the trader, who is also a Strategy Provider, as much freedom, flexibility and

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comfort as possible. The Strategy Provider can truly make profits and have satisfied customers only if he is able to focus on trading itself and does not need to spend hours on administration work or on logging between many platforms.

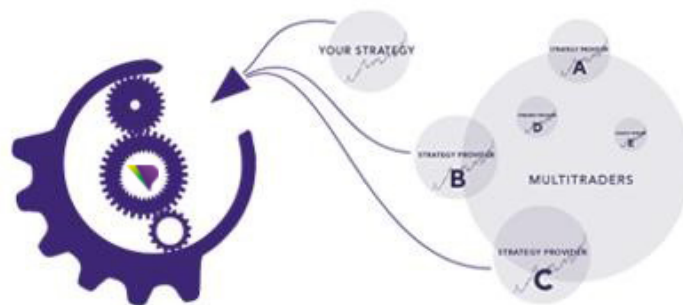
This all is an ongoing process. Trading is real life, and when working with a partner, problems arise sometimes. The main question is though, how do you deal with them together? At Purple Trading you have your own personal account manager who is always available to help you with potential issues. And if you decide to change your business model or target another market? Your account manager will still be here to help you.

### **Good or bad performance? We offer solutions for both.**

Every trader dreams that when he performs with stable and profitable results he will have the chance to trade for some hedge fund or private trading group. And then when you really start to provide strategy to others, your main goal is to have growing capital under management. How will the customer find you? You can promote your strategy, but if you are really good, Purple Trading representatives will introduce your strategy to their own IBs, which brings you the chance to widely extend your portfolio of clients.

And yet, there is another possible scenario. You are building your strategy for a long time but trading conditions go against you. Your strategy does not perform well and you are losing the capital that was

connected. We have a solution - we can introduce you to other strategy providers and their strategies and that way you can still gain some income if your clients will be interested and follow them.



Most of our Purple Trading Strategy Providers are surprised what technology, conditions and benefits they can get. The best first step to find out more about this is to [arrange a meeting or a call with our representatives](#).

# LET THE TECHNOLOGY WORK FOR YOU

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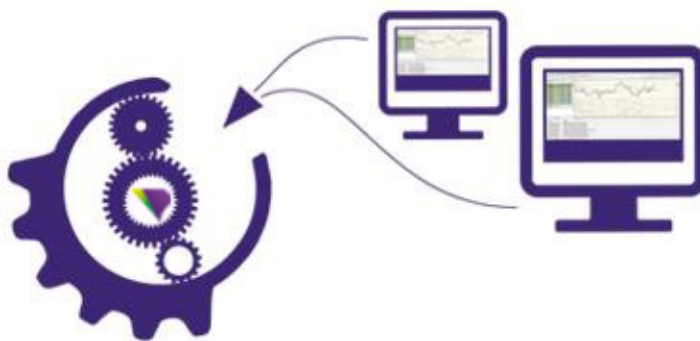
Are you a trader who needs to trade on more than just one platform to manage various accounts? Or are you running different EAs on different broker accounts and want to create a portfolio of one single investment system? Or maybe you want to change brokers but you or your clients have open positions with an actual broker and it seems impossible to find one that would fulfill all your needs? See what kind of magic we can create at Purple Trading.

## **Trade on just one platform**

...and manage all your customers in one click. You can choose one master platform where you will be placing the trades. Purple Trading will connect this platform to all your other platforms or PAMMs. And each of them can be based in different currencies!

All PAMMs are connected with your master account, and trades are allocated by a proportional mathematic formula. Also you do not need to change your EA or trading style if the new customers get on board.

The Purple Trading system can automatically recalculate deposits and withdrawals, and it does not affect the trading on master account. You can also choose which customers will be actively trading and by what amount of risk.



For example, you have two types of customers - one is conservative, meaning that they want a maximum of 0,2% risk per trade, and another one is aggressive and the customers under such strategy want to have 1% risk per trade. It is not a problem. Just tell us about this requirement and we will take care of it.

## **Building a portfolio has never been easier**

Let's look at an example. You trade on two accounts using the EAs and then on the third account you place trades manually. But you would like to provide one "complex" product to your customer, right? Well, we call it a portfolio.

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Now let's say that automatic strategies will trade 25% of the portfolio each and the manual strategy will be allocated on the remaining 50%. You only need to provide Purple Trading with the investor accesses to your accounts and that is it. All the work and consecutive monitoring will be done for you.

And what if you need to change the allocation ratio or add a new strategy? Not a problem. It can be done in a few minutes.

**What if you decide to change brokers but you do not want to bother your clients too much with money transfers etc.?**

The most common problem for Strategy Providers who want to transfer their client base to Purple Trading is that they do not want to bother their clients and ask them to open new accounts, make several money transfers and other administration stuff.

This is not a problem for Purple Trading, though. Just contact one of our representatives with your request and specify what kind of customers you have and what obstacles you and them might face. We will do everything we can to make the transfer as smooth as possible. We can for example accept the fund transfers from other reputable brokers so that the clients don't need to make withdrawals and then deposits again.

And that is not all - Purple Trading has different PAMM modules complemented with the copy trading system, and a strong technology team who will do their best to help and to solve your problem. Just contact us with your questions or issues.

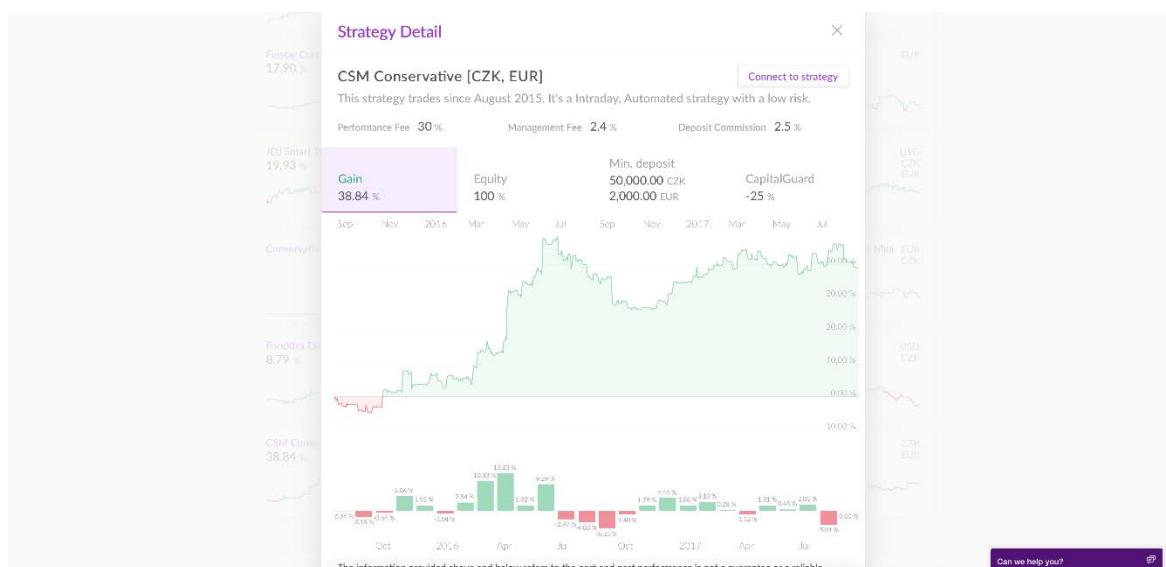
# INVESTORS NEED SIMPLICITY AND PROTECTION

If you are a strategy provider, you may find out that investors (people who passively follow signals or invest in managed products) have different expectations and requirements than traders. And for sure, they need to feel safe, cared for and they need access to simple tools they can understand.

Investors are usually fed up with MT4 and its non-user-friendly interface and if they do not trade actively anymore they don't need to see all the charts, real-time currency quotes etc.

On the other hand, what they need to know certainly is which bank holds their money and how the broker is regulated. Also, the investors do not want to look over their investments each and every day, but they still want to be in full control.

Difficult, huh? Not with our solutions for investors.



Even before our team developed the strategy provider solution, we knew there were two main stakeholders to care about - traders and investors. And it is not reasonable to focus just on traders. Strategy providers need to have solid arguments and facts to persuade clients to invest or change brokers. And with Purple Trading, investors have what they need.

The procedure for opening an account was created to be as simple as possible.

This process needs to include all regulatory requirements. The streamlined account opening procedure requires the investor to fill out personal details, to go through an investment questionnaire, as well as to upload documents and connect new account to selected strategy. This all can be done in a few steps and in just a few minutes. Everything online!

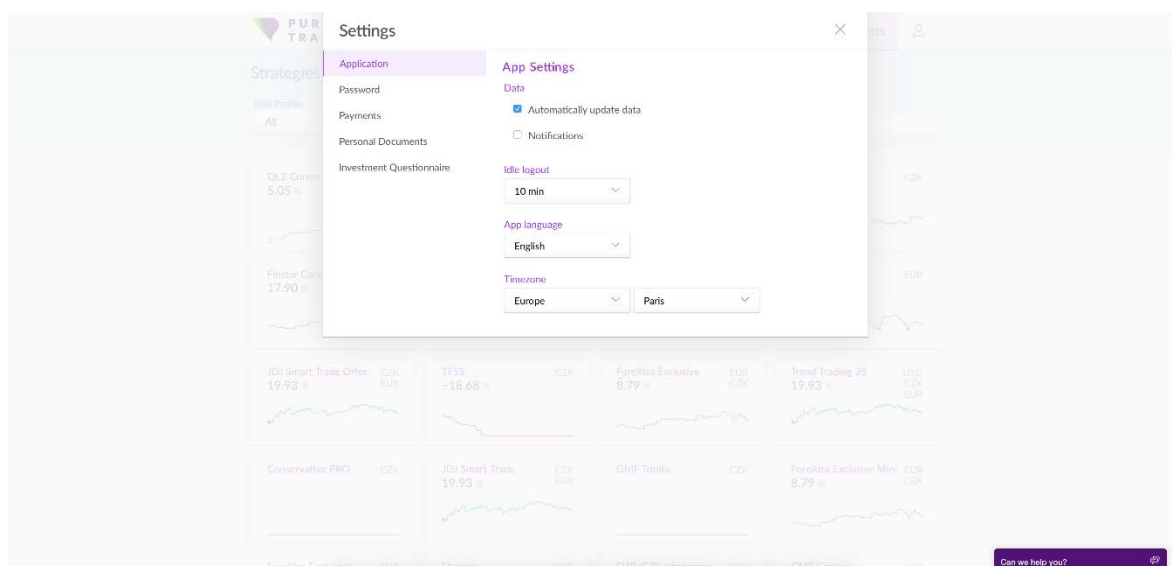
The client can then log into Purple Zone- so he does not need to install MT4. This client zone was designed especially for the investor. There are not many features or analytical tools but in just a few charts and fields the investor can see how exactly are his investments doing. Investors can also see how much they funded, how much they withdrew and what is the amount of total profit or loss.

### **It really matters what bank holds your customer's funds**

From our experience, these are the two most important things for customers to know - where are their funds held and how is the broker regulated. Purple Trading is fully MiFID compliant, and we can offer our services to most EU countries under cross-border services.

Customer funds are held only in EU regulated banks.

Of course, using the Strategy Providing solution with Purple Trading, the investor has all the other advantages of the standard managed account program including the possibility to quit any time, with no "block period" for his funds and live-time overview.



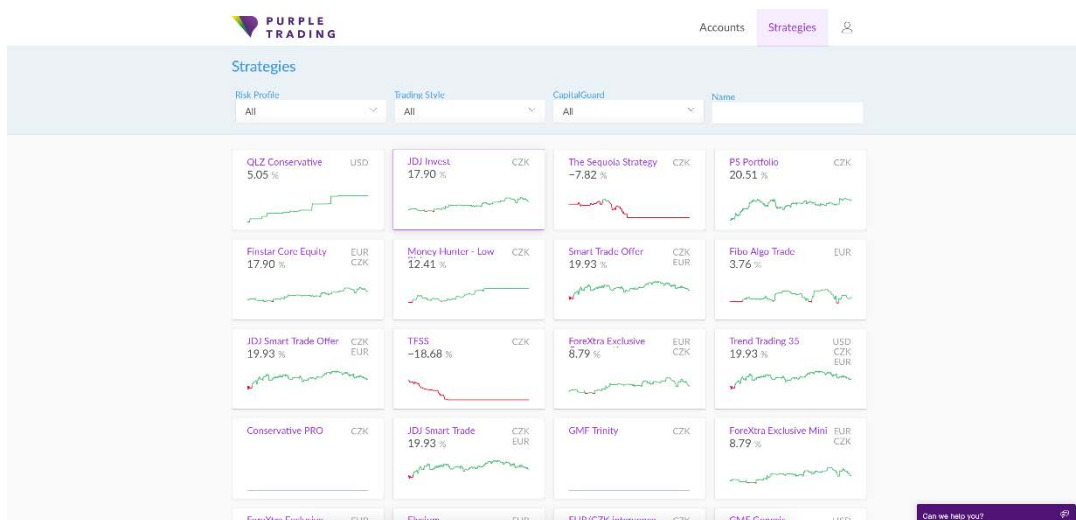
# CUSTOMER BOARDING MADE EASIER

If you are a money manager and you have strategies that performed well in the past months, some of your customers will get on board just by a word of mouth. But if you really want to build your business, you need to find some channels to promote your strategy and get more customers in.

Usually, there are two kinds of approaches to take. You can do online marketing and include your online advertisement, content marketing or PR activities. Or you can build your team who will get customers on board face to face.

## We will give you a web module to present your strategies

It does not matter which way you choose. You will probably need to have some website where you can present your results. For this purpose, we prepared a special iFrame which will include your strategy and will give investors a full overview of how your strategy is doing. The time for implementation to your website is just a few seconds and all results are updated automatically so you do not need to do it by yourself.



When you choose to promote your website online, Purple Trading representatives can give you professional advice about how this website should look like and what conversion features are available, which will help you get more customers on board. Our representatives can provide you with e-books written by marketing specialists that can help you increase the traffic and get better conversions. Just contact us and ask for this e-book package.

### **Build your own team**

One of the most common way to promote your services is your team. Usually strategy providers need to calculate commissions for representatives by themselves, track each customer account, pay out the commission manually and still need to have the direct contract with them. With Purple Trading it is different!

### **Three levels of sales structure**

You can create your own model for commission distribution. For example, the front sales level can get 50% of your fees, the manager level members can get 20% of your fees and you will get the remaining 30% of the fees. Or you can choose how to redistribute the fees in any other way. Purple Trading representatives can give you consultation on how to set it up effectively based on our experience.

### **We will do all of the back office work on your behalf**

As a Strategy Provider with Purple Trading you do not need to calculate the commissions and the profit fees from your customers. All persons involved in your structure will get a report of their fees and will be paid out directly by Purple Trading. So you do not need to do this kind of work anymore. You can simply focus on trading.

Do not do any additional and disturbing work than you really need to. Just contact our representative with any questions, requirements or ideas that you have.



Purple Trading  
[www.purple-trading.com](http://www.purple-trading.com)

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