

IFCMARKETS.CORP.
CONFLICT OF INTEREST MANAGEMENT POLICY

This policy of IFCMARKETS.CORP. (the "Company") is subject to the guidelines of the corporate Compliance Manual as amended or restated from time to time. The purpose of this Policy is to identify and prevent or manage conflicts of interest between the Company, including its directors, managers, employees, or any person directly or indirectly linked to them by control, and its Customers, or between one Customer and another, or combinations thereof, including those arising from inducements from third parties or by the Company's own incentive structures.

1. Definition and Scope

This Policy:

- outlines the circumstances that may give rise to a conflict of interest potentially detrimental to the interests of one or more Customers,
- specifies the applicable corporate procedures aimed at preventing and/or managing such conflicts.

Therefore the Company, on an ongoing basis:

- monitors its offerings (products and/or services) for potential conflicts of interest;
- assesses whether corporate policies and procedures are effective and adequate for resolving any issues.

2. When do conflicts of interest arise?

A conflict of interest arises when in the course of the Company's services, the interests of a Customer could be damaged to the advantage of the Company's managers, employees, or to the advantage of another Customer. The Company has a duty to act honestly and fairly aiming to serve the best interests of the Customers, and in so doing, must provide its services in a proper, legal, fair and professional manner.

Conflicts of interest may arise between the Customer and the Company; between two or more Customers of the Company; between the Company and its employees; between a Customer of the Company and an employee or manager of the Company; or between the Company's departments.

While it is not possible to create an exhaustive list of all possible conflicts of interest, some examples can be given relevant to our business context:

- the Company is likely to make a financial gain, or avoid a financial loss at the expense of the Customer;

- the Company has an interest in the outcome of a service provided to the Customer which is distinct from the Customer's interest in that outcome;
- the Company has a financial or other incentive to favour the interest of another customer or group of customers over the interests of a particular Customer;
- the Company carries on the same business as the Customer;
- the Company receives or will receive from a person other than the Customer an inducement in relation to a service provided to the Customer.

The mere existence of certain circumstances is not conclusive proof that a conflict of interest does exist. The Company must always conduct appropriate due diligence in order to conclude that there is indeed a conflict of interest.

3. Managing potential conflicts of interest

The Company has implemented the following measures to prevent conflicts of interest:

- Controls on the flow of information between employees where the exchange of that information may harm the interest of one or more clients.
- No direct connection between the remuneration of employees separately engaged in service to different clients where a conflict of interest may arise in relation to the activities of such clients.
- No connection of employee remuneration with clients' performance.
- Measures aimed at preventing undue influence over an employee's judgement by a person who has the power to influence such employee's performance review or bonus.
- Measures aimed at preventing or controlling the involvement of employees in providing certain services where such involvement may affect the proper management of conflicts of interest, including, but not limited to:
 - controlling the flow of confidential or inside information;
 - restricting the flow of information within the Company;
 - physical separation of departments;
 - controlling access to electronic data;
 - segregation of duties where they may give rise to conflicts of interest if carried on by the same employee;
 - establishment of disclosure requirements applicable to employees in relation to their own investments;
 - not allowing external business interests of Company officers and employees without the Board's approval;
 - establishment of an in-house Compliance Department and appointment of an Internal Auditor to ensure appropriate controls, reporting to the Board.

These measures are implemented through the entire body of corporate policies and procedures.

Corporate policies and procedures must:

- Establish proper motivation of personnel while discouraging excessive trading or other acts that may impair the Customer's best interests;
- Not permit staff to accept any employment or business interest outside the Company without the prior approval of the Company;
- Not allow to accept any gifts or hospitality other than as considered normal and minor in this line of business, such inducements never to be related to clients' performance;
- Ensure a fair, reasonable and transparent fee structure without it being in conflict with the best interests of the Customer;
- Ensure the segregation of duties that may give rise to conflict of interest if performed by the same person;
- Establish a "need-to-know" procedure governing the handling of confidential or inside information and set Chinese Walls where appropriate;
- Ensure independent monitoring and reporting by the Compliance Department;
- Establish disclosure, review, confidential reporting of any conflicts of interest with escalation to the proper level of management with the aim at ethical resolution;
- Implement four-eyes principle in supervising the Company's operations.

4. Reporting conflicts of interest

Where a potential conflict of interest is identified by an employee, it must be referred to the line manager, and a completed conflict of interest notification form together with full details must be filed.

This may be then escalated as appropriate to the management (Compliance for inclusion within the reports reviewed by the Board of Directors), to make a decision on the existence of an actual conflict, and corrective action where required.

5. Disclosures

Where the Company's own internal efforts and corporate arrangements are not sufficient to ensure that damage to the Customer's interests has been prevented, the Company must, as a last resort, disclose such potential conflict of interest, and the steps taken, to the Customer.

Such disclosure must include all information allowing the Customer to make an informed decision with respect to the service in the context in which the conflict of interest arises, *inter alia*, a specific description of the conflicts of interest that arise, explaining the general nature and sources of conflict of interest and the steps undertaken to mitigate these risks, in sufficient detail, enabling the client to make an informed decision in respect to the service in the context of which the conflicts of interest arise. Where the actions taken are not sufficient for an acceptable mitigation of the conflict, the Company may elect to refuse the service.

6. Record keeping

A complete record will be maintained by the Compliance Officer of the kinds of any activity carried out by or on behalf of the Company in which a conflict of interest has arisen. Any relevant actions must be recorded and promptly reported to the Board of Directors.

7. Policy updates

This policy is approved by the Board of Directors and will be updated from time to time but at least annually, and will always remain compliant with the law, regulatory guidance, ethical standards and best practices of our business.