

Innovative Market Partner Holdings Limited

CONFLICTS OF INTEREST POLICY

Regulated by the Financial Services Authority of
Seychelles, License Number **SD095**

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1. Purpose

The purpose of this Policy is to specify the procedures put in place by Innovative Market Partner Holdings Limited (hereafter the “Company”), for identifying and responsibly managing and controlling and, where necessary, disclosing the conflicts of interests arising in relation to its business and to reduce the risk of client disadvantage and reduce the risk of legal liability, regulatory censure or damage to Company’s commercial interests and reputation and to ensure that it complies with legislative requirements and the departmental and general procedures which are set by its Internal Procedures Manual.

Having adequate conflicts management arrangements helps Innovative Market Partner Holdings Limited to comply with their general obligation to operate efficiently, honestly and fairly. It will also help Innovative Market Partner Holdings Limited to establish and maintain a reputation for integrity in the provision of financial services and ensure that the quality of their financial services is not significantly compromised by conflicts of interest.

2. Policy

The Company established, implemented and maintains an effective conflicts of interest policy set out in writing and appropriate to the size and organisation of the Company and the nature, scale and complexity of its business.

The Company takes all appropriate steps to identify and to prevent or manage conflicts of interests between itself, including its senior management, employees or any person directly or indirectly linked to it by control and its clients or between one client and another client, that arise in the course of providing any services, or combinations thereof, including those caused by the receipt of inducements from third parties or by the Company’s own remuneration and other incentive measures, which adversely affect the interests of the Company’s clients.

Furthermore, the Company maintains and operates effective organizational and administrative arrangements with a view to taking all reasonable steps designed to prevent conflicts of interest from adversely affecting the interests of its clients.

When the Company is a member of a group, the policy takes into account any circumstances, of which the Company is or should be aware, which may give rise to a conflict of interest arising as a result of the structure and business activities of other members of the group.

3. General Principles

The Company’s conflicts of interest policy, in general shall have to:

- identify with reference to the services carried out by the Company, the circumstances which constitute or may give rise to a conflict of interest entailing a material risk of damage to the interests of one or more Clients
- specify procedures to be followed and measures to be adopted in order to manage such conflicts

The Company shall ensure that the procedures and measures taken are designed to ensure that relevant persons engaged in different business activities involving a conflict of interest carry on those activities at a level of independence appropriate to the size and activities of the Company and to the materiality of the risk of damage to the interests of Clients.

The procedures to be followed and measures to be adopted shall be necessary and appropriate for the Company to ensure the requisite degree of independence:

- a) effective procedures to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more Clients
- b) the separate supervision of relevant persons whose principal functions involve carrying out activities on behalf of, or providing services to, Clients whose interests may conflict, or who otherwise represent different interests that may conflict, including those of the Company
- c) the removal of any direct link between the remuneration of relevant persons principally engaged in one activity and the remuneration of, or revenues generated by, different relevant persons principally engaged in another activity, where a conflict of interest may arise in relation to those activities
- d) measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out the provision of investment and ancillary services
- e) measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate activities where such involvement may impair the proper management of conflicts of interest

4. Services or Activities Giving Rise to Detrimental Conflict of Interest

For the purposes of identifying the types of conflict of interest that arise in the course of providing investment and ancillary services or a combination thereof and whose existence may damage the interests of a Client, the Company shall need to take into account, by way of minimum criteria, the question of whether the Company or a relevant person, or a person directly or indirectly linked by control to the Company, is in any of the following situations, whether as a result of providing investment or ancillary services or investment activities or otherwise:

- a) the Company or that person is likely to make a financial gain, or avoid a financial loss, at the expense of the Client

- b) the Company or that person has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client's interest in that outcome
- c) the Company or that person has a financial or other incentive to favor the interest of another Client or group of Clients over the interests of the Client
- d) the Company or that person carries on the same business as the Client
- e) the Company or that person receives or will receive from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monies, goods or services, other than the standard commission or fee for that service

The Compliance Officer is responsible for maintaining the conflicts of interest policy. In this respect, the Compliance Officer ensures that all the Company's personnel is aware of the Company's conflicts of interest policy and can clearly identify circumstances that may give rise to conflicts of interest. The Compliance Officer is responsible to regularly review and update the policy.

In case any employee comes across with a situation that may give rise to a conflict of interest, the employee shall immediately report this to the Compliance Officer. The Compliance Officer determines, in consultation with the senior management, if a conflict of interest is present and take the necessary action to resolve it.

5. Responding to Conflicts

There are two primary ways to respond to a conflict of interest, whether actual or potential:

- a) Manage or control the situation giving rise to the conflict.
- b) Avoiding the situation giving rise to the conflict.

Additionally, where an actual conflict has arisen there may be a need to initiate disciplinary action against employees involved in the conflict if there is a significant negative impact on the business.

6. Disclosure of Conflicts of Interest

In case where the procedures depicted in the conflicts of interest policy are not sufficient to ensure, with reasonable confidence, that risks of damage to client interests will be prevented, the Company clearly discloses the general nature and/or sources of conflicts of interest to the client before undertaking business on its behalf. This disclosure shall be made in a durable medium and include sufficient detail, taking into account the nature of the client, to enable the client to take an informed decision with respect to the investment or ancillary service in context of which the conflict of interest arises.

Disclosing an interest to a customer is normally required where the firm has an interest in a transaction on which it is advising or where the firm derives, or derives, consultancy, non-executive director or other fees from customers involved in a transaction.

Disclosure is made before the Company advice clients on a transaction and the Company is able to demonstrate that have taken reasonable steps to ensure that the client does not object material interest or conflict of interest.

When the disclosure shall be made: When the organizational or administrative arrangements made by the Company to prevent conflicts of interest from adversely affecting the interests of its client are not sufficient to ensure, with reasonable confidence, that risks of damage to client interests will be prevented. The disclosure is a measure of last resort, to be used only in the aforementioned occasion. Over-reliance on this disclosure shall be considered a deficiency in the Company's conflicts of interest policy.

How the disclosure shall be made: The disclosure shall be made in a durable medium, which also includes the provision of the disclosure through the Company's website.

What information shall be included in the disclosure: The disclosure includes sufficient detail, taking into account the nature of the client, to enable that client to take an informed decision with respect to the service in the context of which the conflict of interest arises. This will be met when the disclosure includes at least the following:

- i. A specific description of the conflict of interest under question, taking into account the nature of the client to whom the disclosure is made. This clause shall not been seen as excluding the possibility of communicating the disclosure in the means of a durable medium to retail as well as to non-retail clients;
- ii. Detailed explanation of the nature and/or sources of conflicts of interests, as well as the risks to the client that arise as a result of the conflict and the steps taken to mitigate these risks; and
- iii. Clear statement that the organizational and administrative arrangements established by the Company to prevent or manage that conflict are not sufficient to ensure with reasonable confidence, that the risk of damage to the interests of the client will be prevented.

Declining to Act: If the Company determines that it is unable to manage a conflict of interest using one of the methods described above, the Company declines to act on behalf of the client concerned.

7. Gifts and Entertainment

Certain gifts or entertainment packages may be seen to create conflicts of interest and/or may be considered bribery and corruption or money laundering and counter terrorism financing.

It is recognised that gifts and entertainment may be part of conducting cordial business relationships in some cultures and therefore, notification of any gift with estimated value over EUR 100 received from a client or service provider must be provided to Compliance and recorded in the Gift Register together with an estimate of its value and prior approval must be sought after.

We do not prohibit our staff from receiving small gifts and minor hospitality from other parties. However, no employee or director may accept from, or give to, any person any gift or other benefit that cannot properly be regarded as justifiable in all the circumstances.

Employees may not accept gifts from, or provide gifts to, an individual or firm with whom they conduct, or intend to conduct, business on behalf of the firm unless it can be demonstrated that no conflict of interest (actual or perceived) is created by doing so.

Entertainment provided by an employee must fall within any expenses policy the firm may adopt and should not in any event create any conflict of interest. This rule applies even if the direct recipient of the gift or other benefit is the spouse or a child of the employee or some other third party. The provision or acceptance of gifts and entertainment should be consistent and proportionate with the corporate relationship.

8. Related Parties and Suppliers

Employees must disclose any financial interest they or their immediate family have in any company which does business with Innovate Market Partner Holdings Ltd or which competes with it. The Company may require divestiture of such interest if it deems that the interest is in conflict with its best interests.

9. Staff Trading

Employees may only undertake personal investment activities that do not breach applicable law or regulation, do not unduly distract from their employment responsibilities and do not create an unacceptable risk to the firm's reputation.

Transactions should also be free from business and ethical conflicts of interest. Employees must never misuse proprietary or client confidential information in their personal dealings and must ensure that clients are never disadvantaged as a result of their dealings.

10. Updates of Conflicts of Interest Policy

The Company assess and periodically review, on at least annual basis, the Policy and takes all appropriate measures to address any deficiencies. In the event that the Company materially changes this Policy, the revised Policy is uploaded in the Company's website. In this respect, the Clients are informed electronically. Any dispute over the Company's Policy is subject to this notice and the Client Agreement. The Company encourages its Clients to periodically review the Policy.

Any updates and/or changes in the conflicts of interest policy of the Company is approved by the Board of Directors of the Company. Policy is required to be reviewed annually, and a report is provided to the senior management.