



## Conflicts of Interest Policy

### 1. Introduction

Principle for Business 8 (Conflicts of interest) requires GMG Brokers to pay due regard to the interests of each client and to manage conflicts fairly - both between the firm and its clients and between one client and another. The specific rules are set out in the Senior Management Arrangements, Systems and Controls sourcebook at SYSC 10.1 onwards.

This policy applies to GMG Brokers Ltd, all relevant persons, and any person directly or indirectly linked to the firm by control, including group companies and connected entities.

### 2. Identifying Conflicts

A conflict of interest may arise where GMG Brokers, a relevant person or an associated entity:

- is likely to make a financial gain, or avoid a loss, at the expense of a client;
- has an interest in the outcome of a service or transaction that is distinct from the client's interest;
- has a financial or other incentive to favour one client (or group of clients) over another;
- carries on the same business as the client; or
- receives an inducement from a person other than the client — in money, goods or services — beyond the standard commission or fee for the service.
- has remuneration or incentive structures that could give rise to a conflict with a client's interests.

Relevant persons must not knowingly advise on, or exercise discretion in, such a transaction unless reasonable steps are taken to ensure fair treatment of the client. This is normally achieved by managing the conflict internally, establishing information barriers, disclosing the interest to the client, or declining to act.

### 3. Managing Conflicts

GMG Brokers manages conflicts by relying on this policy, under which relevant employees must disregard any material interest when advising a client; where appropriate, the directors may disclose the interest. Particular attention is paid to investment research and advice, trading, portfolio management and corporate finance, and especially to any combination of two or more such activities by the firm or a connected person.

Controls are designed to deliver a level of independence appropriate to the size and activities of the firm and the group, and to the materiality of the risk to clients. They include:

- preventing or controlling the exchange of information between persons whose activities involve a risk of conflict, where that exchange could harm a client;
- separately supervising persons serving clients whose interests may conflict;
- removing any direct link between the remuneration of persons principally engaged in conflicting activities;
- preventing any person from exerting inappropriate influence over how a relevant person carries out a service; and
- preventing or controlling a relevant person's simultaneous or sequential involvement in separate services where this could impair the proper management of conflicts.

### 4. Information Barriers (Chinese Walls)

GMG Brokers may also manage conflicts by restricting the movement of information within the firm, so that information held in one part of the business is withheld from, or not used by, persons acting in another part. The FCA's rules are at SYSC 10.2, which the firm has adopted. Where such a barrier is established and maintained, persons on the other side of it are not treated as possessing information denied to them, and the firm is not taken to act with knowledge under COB, COBS or CASS if no relevant individual involved actually holds that knowledge. Acting in this way does not of itself amount to market abuse or a misleading practice. "Maintains" includes taking reasonable steps to keep the arrangements effective and adequately monitored.

### 5. Segregation of Duties

The firm seeks to ensure that the performance of multiple functions by a relevant person does not prevent them discharging any function soundly, honestly and professionally. As a general rule, no single individual has unrestricted authority to initiate a transaction, bind the firm, make payments and account for them. Where complete segregation is not practicable given the firm's limited headcount, compensating controls apply,



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including frequent review by relevant senior managers. The firm regularly evaluates the adequacy and effectiveness of these arrangements and addresses any deficiencies.

**6. Disclosing an Interest**

Where the firm's arrangements are not sufficient to ensure, with reasonable confidence, that risks of damage to a client's interests will be prevented, GMG Brokers will clearly disclose the general nature and/or sources of the conflict before undertaking business for that client. Disclosure must be made in a durable medium and contain sufficient detail, taking into account the nature of the client, to allow an informed decision. Disclosure is made in writing (oral disclosure is to be avoided) and before the firm advises on the transaction, and the firm must be able to demonstrate that it took reasonable steps to ensure the client did not object.

**7. Declining to Act**

If GMG Brokers determines that it cannot manage a conflict by any of the methods above, it will decline to act for the client concerned.

**8. Gifts and Inducements**

Care must be taken to ensure that gifts cannot be construed as an inducement to favour one client over another. The firm's rules are:

- gifts valued at less than £50 need not be declared;
- gifts valued at more than £50 must be notified to the Compliance Officer and recorded in the gifts and inducements register;
- multiple gifts from one client within any twelve-month period with a cumulative value exceeding £50 must likewise be declared; and
- the Compliance Officer will circulate an annual memorandum listing declared gifts, on which any previously undeclared gift exceeding £50 must be recorded.

**9. Policy Review**

This policy is reviewed by the Compliance Officer and approved by senior management at least annually, or sooner following any material change in the firm's business, structure, or regulatory obligations. The date of last review is shown in the document footer.

**Contact**

For queries on this Policy, please contact: [compliance-ldn@gmg-brokers.com](mailto:compliance-ldn@gmg-brokers.com) (OR) [info@gmg-brokers.com](mailto:info@gmg-brokers.com) .