

Code of Ethics and Professional Conduct

INTRODUCTION AND SCOPE

The Investment Migration Council (“the Council”) is the worldwide association of investor immigration and citizenship-by-investment professionals, bringing together the leading stakeholders in the field and giving the industry a voice. The Council helps to improve public understanding of the issues faced by clients and governments in this area and promotes education and high professional standards among its members, interacting with other professional associations, governments and international organizations in relation to investment migration.

The Council sets professional practice and business ethics standards for members (“Members”) on a global level through this Code of Ethics and Professional Conduct (“the Code”), creating a culture of professional excellence and ethical business practices.

This Code applies to all Members of the Council.

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1. GENERAL RULES AND REGULATIONS OF THE COUNCIL

1.1. Observing the Law

A Member shall at all times ensure that his or her actions comply with the laws and regulations of the jurisdiction/s to which he or she is subject.

1.2 ‘Know your Client’

A Member shall at all times act in accordance with the ‘Know Your Client’ regulatory requirements applicable to any jurisdiction/s to which he or she is subject, and international standards. A Member will act with due diligence and regard to such regulations and standards, and will not act in a manner that may bring the Council or industry into disrepute.

For politically exposed persons (PEPs), a Member shall follow additional, enhanced due diligence procedures established by him or herself or by the organization he or her is affiliated with. The Member is aware that a PEP may lead to additional exposure for both the country in which residence or citizenship rights are sought, the Council, and the Member.

1.3. Adherence to the Code

A Member shall at all times comply with the provisions of this Code. Failure to do so may lead to the Member’s exclusion from the Council, which may be made public.

2. INTEGRITY AND ETHICAL PRACTICE

2.1. Core values

A Member shall act in accordance with the core values of the Council. The core values of the Council are that:

- i) Members act with due regard to industry reputation and confidence;
- ii) Members act within the law and do not deceive the authorities or act beyond the judicial systems in which they practise, or knowingly allow themselves to be used in any deception;
- iii) Members act with competence, giving sound, lawful advice having familiarised themselves with the law, policy and procedure relating to the issue in question;
- iv) Members act with integrity and honesty;
- v) Members maintain client confidentiality;
- vi) Members act with impartiality and objectivity in the best interests of their client; and
- vii) Members do not charge a fee or obtain commissions that are unreasonable in all the circumstances

2.2. Value-based approach to ethics

A Member will at all times act in accordance with the Council's core values, and conduct himself or herself in a manner which inspires the confidence, respect and trust of his or her clients and the wider community. A Member shall not engage in conduct which brings into question the integrity of the Council or his or her own professional integrity and competence.

3. COMPETENCE

3.1. Exercise of Competence

A Member shall at all times perform competent work for his or her client. Competent work requires the knowledge, skill, thoroughness and preparation reasonably necessary to perform the work, as well as performing the work conscientiously and diligently in a timely and cost-effective manner.

3.2. Maintaining and Enhancing Competence

In order to maintain and enhance his or her knowledge and skills, a Member shall carry out appropriate professional development, including complying with the requirements for continuing professional development (CPD) as required for regulatory compliance in the jurisdiction/s in which the Member practises, as established by the Council herein under Paragraph 12 of the Code, and shall adapt to changing professional requirements, standards, techniques and practices, including technological change.

3.3. Scope of Competence

A Member should not undertake work for a client or offer a service or product if he or she is not actually competent and able to perform the work or provide the service or product, or is not able to become competent and able to perform the work or provide the service or product without undue delay, risk or expense to the client. Where a Member feels he or she is not competent to handle the work, the Member should either decline to act, or obtain instructions from his or her client to retain or consult with a practitioner or other advisor who is competent to perform the work.

3.4. Competence of third party advisers

In engaging with third party advisers or companies on behalf of a client, a Member shall reasonably ensure that third party advisers are competent to carry out their services or provide products to the standard and skill expected and will engage with those practising within the spirit of the Code.

4. OBJECTIVITY

A Member shall provide objective advice and exercise independent professional judgment. A Member should not permit his or her independence, objectivity or integrity to be compromised.

5. HONESTY

A Member shall be honest in the performance of his or her professional work or business and shall not in the context of professional conduct or business knowingly provide information or make any statement which is false or misleading or engage in false or misleading conduct. A Member shall decline to act and shall terminate the relationship if he or she knows, or has reasonable grounds to suspect, that carrying out his or her client's instructions would involve assisting in an illegal activity.

6. CONFIDENTIALITY

6.1. Holding Information in Confidence

A Member owes a duty to hold in strict confidence all information the Member has acquired concerning the business and affairs of the Member's client in the course of the Member/client professional relationship, and must not disclose such information in any way without the client's consent, unless required by law or because there is a professional obligation to disclose.

6.2. Obligation Outlasts Member-Client Relationship

The duty of confidentiality outlasts the professional relationship and continues indefinitely after a Member has ceased to act for a client.

6.3. Data Security and Safeguarding Confidential Information

A Member shall take all necessary steps to safeguard the confidentiality of client information in accordance with the law/s of the jurisdiction/s in which he or she practices, and in accordance with international standards. A Member shall ensure their contractual agreements with Clients contain specific provisions regarding the protection of personal information.

6.4. Confidential Information not to be Used for Personal Benefit

Confidential information concerning the business and affairs of a client may not be used for purposes outside the scope of the professional services rendered, including for the personal benefit of a Member or a third party, without the client's prior consent.

7. CONFLICTS OF INTEREST

7.1. Definition of Conflict of Interest

A conflict of interest means an interest or duty that a Member has that (i) will adversely affect the Member's ability to provide independent, objective advice to his or her client or (ii) will adversely affect the Member's loyalty to his or her client or (iii) will be given precedence by a Member over the interests of his or her client. A conflict of interest can arise between two or more Members, a Member and his or her client, between two or more clients or potential clients (for example, when a Member is asked to act for both parties to a transaction), or between a Member's primary client and the individual(s) procuring the client's payment for services and / or the procurement of the required immigrant investor funds. All individuals amongst which a conflict could arise are considered interested parties.

7.2. Avoidance of Conflicts of Interest

A Member shall not act, or continue to act, in a matter where there is a conflict of interest, where the representation of the client is directly adverse to the Member's own interests or directly adverse to another existing client.

7.3. Financial Involvement with Clients

If a client intends to enter into a business transaction with a Member, or to give or acquire any financial interest involving the personal benefit of a Member, whether directly or indirectly, including through a related entity, prior to proceeding with such a transaction the Member shall ensure in writing that: (i) the nature of the Member's actual or potential conflict of interest and or financial interest is fully disclosed to the client; (ii) the client is advised to seek independent legal advice; and (iii) the client's written consent to the transaction is obtained.

8. HANDLING OF CLIENT PROPERTY

8.1. Definition of Property

For the purposes of this Code, property includes anything that is owned by the client, including monies.

8.2. Duty of Care

A Member shall ensure that all rules relating to the preservation and safekeeping of client property are adhered to, and shall exercise care for his or her client's property as a careful and prudent owner would in dealing with like property.

8.3. Notification of Receipt of Property

A Member shall promptly notify his or her client when the Member receives any money or other property of the client, unless the Member knows that the client is already aware that it has come into the Member's custody.

8.4. Identification of Client Property

A Member shall hold client property in a way that the client's property is clearly labelled, identified, placed in safekeeping and where possible segregated from the Member's property. Where the client's property is in the form of money, a bank account or trust account, the client's property should ideally be held in accounts separate from the Member's accounts that hold the Member's property. Accounting records according to internationally accepted accounting standards must be maintained at all times for all client property so that it may be properly accounted for.

8.5. Delivery of Client Property

Client property shall be delivered to the order of the client upon request, subject to any restrictions the Member may have under applicable law or to any third-party rights or interests. Where there is any question as to the person entitled to receive the property, the Member shall distribute the portion of the funds which are not disputed and keep the distributed portion of the property separate until the matter is resolved. In the case of dispute, the Member will seek professional advice, or where appropriate, recourse to a court of competent jurisdiction for direction.

9. FEES AND COMMISSIONS

9.1. Fair and Reasonable Charges

Fees charged for services rendered by a Member or prices charged for real estate or other products shall be fair and reasonable. Alternatively or additionally, a Member may be remunerated by commissions from governments, real-estate developers or other sources where the Member acts to introduce clients, provided such commissions are fair and reasonable, and are in any case not greater than fifteen per cent of the sum invested by the client.

A fair and reasonable fee or commission should have regard to such factors, among others, as the following: (i) the time and effort required and spent; (ii) the novelty, complexity and importance of the work; (iii) customary charges of other practitioners of similar standing in the locality in like matters, or tariffs authorised by local law; (iv) the result obtained; (v) the value of the subject matter; (vi) the skill required to perform the service properly; (vii) the experience, reputation, and capabilities of the Member, and (viii) any special circumstances, including urgency or special requests by the client. For further clarity, a Member may agree with his or her client to fix his or her fees or to another basis of charge.

Members who are real estate developers or who are providing an investment solution to residence and citizenship applicants, must ensure that commissions payable are in any case not greater than fifteen per cent of the sum invested by the client.

9.2. Disclosure and Fee Arrangements

A Member should make efforts to avoid fee disputes. Before undertaking work for a client, or accepting an appointment as a representative, a Member should ensure that the client or interested party is aware of the basis on which fees will be charged, how expenses incurred on behalf of a client or interested party will be treated, and any limits or conditions with regard to liability of the Member to the client or interested party, as defined by provision 7.1. This must be done in a written agreement with the client or interested party, and must provide for a reasonable dispute resolution mechanism with clarity on the applicable law and jurisdiction.

10. ADVERTISING AND MEDIA PRESENCE

Advertising, press/media statements or other forms of promotion of services and products by a Member should not be inaccurate or likely to mislead, be likely to cause public offence or reflect adversely on the Council, other Members or fellow professionals, and should not bring the investment migration industry into disrepute.

Any advertising or form of promotion of professional services by a Member should comply with the laws and regulations of any jurisdiction/s to which he or she is subject.

11. DISCIPLINARY RULES AND PROCEDURES

All members are expected to meet performance standards as laid out in this code. Disciplinary or corrective action is a process of communicating with members to improve unacceptable behaviour or performance. To promote and maintain the integrity of its members, the Council Board has the ability to enforce the provisions of the Code of Ethics and Professional Conduct. Adherence to the Code of Ethics and compliance with the standards by IMC members is required, with the potential for Council

Board sanctions against those who violate the regulations contained in this document. The Council Board will follow the Disciplinary Rules and Procedures set forth when enforcing the Code of Ethics and Professional Conduct, for IMC members.

For further information please refer to the Disciplinary Rules and Procedures document available from the IMC website or contact the secretariat.

12. RELATIONSHIP WITH THE COUNCIL

12.1. Provision of Information to the Council

A Member must provide such information as is reasonably requested by the Council without undue delay, subject to any applicable legal privilege or duty of confidentiality, and to any legal or professional obligations of the Member to maintain confidentiality.

12.2. Compliance with the Disciplinary Process

A Member is subject to the Council's disciplinary processes in respect of any breach of the Code.

12.3. Obligation to Notify the Council

On application for Membership of the Council, an applicant will disclose all criminal offences, civil damages awarded against them for fraud, misrepresentation or restitution, pending criminal charges, pending civil proceedings arising from commercial activities or disciplinary actions against them.

A Member must promptly inform the Council of any matters likely to affect his or her membership of the Council, in particular, if he or she:

- i) has a criminal suit, or civil suit for fraud, misrepresentation or restitution, pending against them;
- ii) is convicted of a criminal offence (other than a minor traffic offence or misdemeanour or similar minor infraction); or
- iii) is notified of disciplinary action against him or her by another professional body to which he or she belongs.

On notification of any of the aforementioned, the Council shall consider the appropriate and reasonable disciplinary measure based on the Member's individual circumstances.

13. REGULATORY COMPLIANCE AND CONTINUING PROFESSIONAL DEVELOPMENT

A Member shall fulfil the regulatory compliance requirements for the jurisdiction/s in which he or she practises, including through the completion of Continuing Professional Development where applicable.

These guidelines are without prejudice to any more particular or stringent requirements imposed on a Member by the terms of their employment, jurisdiction/s of practice, continuing professional development and /or professional associations.

Approved and Adopted by the Governing Board on the 11th June 2015