Compliance Manual

EmergX Finance Corporation
Date: July 2025

1. Purpose and Scope

This Compliance Manual establishes the framework for managing regulatory compliance at EmergX Finance Corporation (EFC). It outlines procedures to ensure adherence to FCA requirements, UK law, and internal risk management standards.

2. Regulatory Context

EFC is applying for authorisation as a Small and Non-Interconnected (SNI) MiFIDPRU investment firm under the FCA. Key applicable rules include:
- FCA Handbook: MIFIDPRU, COBS, SYSC
- Financial Services and Markets Act 2000
- Money Laundering Regulations 2017
- SMCR regime

3. Compliance Function

The Chief Risk & Compliance Officer (CRCO) is responsible for oversight of all compliance activities. Responsibilities include:
- Maintaining the compliance monitoring plan (CMP)
- Conducting internal reviews and controls
- Ensuring staff training and policy adherence
- Preparing FCA filings and notifications

4. Key Compliance Areas

- AML & Financial Crime Prevention
- Market Conduct
- Conflicts of Interest
- Client Categorisation
- Complaints Handling
- Financial Promotions & Disclosures
- Personal Account Dealing
- Governance and SMCR

5. Monitoring and Internal Audit

A Compliance Monitoring Plan (CMP) is reviewed quarterly. It includes:
- Policy implementation reviews
- Transaction and communication sampling
- Spot checks and file audits

Independent internal audits may be arranged annually or based on risk triggers.

6. FCA Interaction and Reporting

The CRCO acts as primary liaison with the FCA. Reportable events include:
- Changes to SMF roles or structure
- Breaches of capital adequacy or compliance rules
- AML reporting obligations (via MLRO)
- Material client complaints or litigation

7. Staff Compliance and Training

All staff must:
- Read and acknowledge compliance policies
- Complete annual compliance and AML training
- Disclose personal account dealing and external interests
- Report any suspected breaches to the CRCO or Whistleblower channel