

FAIR MARKETPLACE COMPETITION PRACTICES POLICY

Summary

IAG (“the Company”) upholds the highest professional standards in confidentiality and compliance when managing client and third-party information and business best practices. We also ensure that the Insurers with which we place business are compliant through every step of the policy placement and management process.

IAG colleagues must comply with the Competition Act and antitrust law in Canada. Violation of these laws could severely damage the Company’s reputation and result in severe penalties.

The Competition Act and antitrust laws are complex. Colleagues who are unsure of appropriate practices are required to consult with IAG’s management.

This policy applies to all colleagues of IAG. IAG is committed to competing vigorously and fairly for business by providing superior products and services, not be engaging in improper or anti-competitive practices. The Company and its colleagues must comply with applicable Competition Act and antitrust laws and must compete fairly and ethically for business.

Defining Competition

IAG is expected by the governing bodies in the areas where it conducts business to compete vigorously for client business through fair practices.

The Competition Act and antitrust laws are different names for laws designed to protect competition and regulate how companies compete with each other and deal with clients and suppliers. Anti-competitive behaviour prohibited by such laws includes:

- Collusion – when companies secretly communicate or agree on how they will compete, or appear to compete, in the marketplace. This can occur when two or more companies agree to: fix, control or maintain prices; set the terms under which they will provide or obtain products or services; or allocate clients or market segments;
- Bid-rigging – when competitors artificially manipulate the bidding process so that the outcome is pre-determined or free and fair competition is otherwise limited or hindered. Any agreement between competitors involving a bid may be considered bid-rigging. Bid-rigging can take various forms, including comparing bids prior to submission, agreeing to refrain from bidding; agreeing to withdraw a bid; knowingly submitting non-competitive bids; and agreeing to rig bids to create sham competition;

- Abuse of a dominant position or monopoly power – when a business that has market power to affect prices or output unilaterally takes anti-competitive actions without sufficient business justification;
- Tying – when a company with market power forces customers to take products or services that they do not want or need. This can occur when a company with market power requires a client to purchase one product in order to get another product that the client wants; and
- Improper exclusive dealing – when a company with a requisite level of market power agrees with others to do business/not do business with another party or parties or refuses to deal with another party or parties.

COLLEAGUE RESPONSIBILITIES

IAG colleagues are required to comply with applicable the Competition Act and antitrust laws and compete fairly and ethically for business. The following guidelines will ensure fair business conduct and appropriate competition in IAG's business conduct.

Avoiding Collusion

Colleagues are not permitted to:

- Share IAG's competitively sensitive information with a competitor;
- Confer or agree with IAG's competitors on the compensation IAG collects or the terms of our services to clients;
- Share as an intermediary or conduit to share non-public competitively sensitive information between or among competitors or groups of competitors, such as clients, insurers, reinsurers, service providers or other third parties;
- Allocate customers, lines of business or territories with the Company's competitors or among competitors, such as insurers, reinsurers or service providers; or
- If an insurer, reinsurer or other service provider to IAG clients asks for information about what our competitors are doing, provide answers to publicly available information, or the kind of information on general market conditions that might be collected in an industry or trade association survey, without consulting first with an IAG management.

IAG and its colleagues can be held liable for an antitrust violation for disclosing competitively sensitive information. Competitively sensitive information can include:

- Current or future pricing or the terms of services offered to customers, including plans for price changes or differential pricing;
- Strategic plans or data on market share, distribution practices, costs or quantities of sales;
- Business or competitive strategies; or
- Information about prices, output, employees, costs or other confidential information.

Avoiding Bid-Rigging

When conducting or managing a bidding process on behalf of clients IAG colleagues are not permitted to:

- Assist bidders or potential bidders in communicating with each other about their current prices, competitive strategies or bid responses;
- Facilitate or encourage collusion or coordination among bidders/potential bidders or discourage aggressive bidding;
- Allocate or attempt to allocate particular business or opportunities to one particular bidder over another or steer bidders/potential bidders clear of competing with one another;
- Solicit or knowingly accept bids that are designed or intended to not win business;
- Directly or indirectly knowingly accept from or request of any bidder false, fictitious, inflated or artificial bids or any bid that does not accurately represent the bidder's best offer;
- Agree in advance to protect or assign business to a given company without the client's prior approval;
- Provide any bidder/potential bidder (including the current provider of the product or service) preferential treatment of any kind, unless previously approved by the client;
- Provide a bidding company any information relating to another firm's bid or pricing targets or ranges, without client approval; or
- Forgo reviewing bidding procedures with the client in advance of engaging in the bid.

Avoiding Tying, Exclusive Dealing or Predatory Pricing

IAG colleagues are not permitted to:

- Force customers to take products or services that do not pertain to or benefit their personal or business interests;
- Sell a packaged bundle of products without first making sure that IAG management has first reviewed the pricing and conditions associated with the offer;
- Agree to conduct business exclusively with one party, such as an insurer, reinsurer, supplier or client;
- Agree with one party to exclusively conduct business with another party or not to conduct business with another party; or
- Refuse to conduct business with one party, unless that party is a risk to the firm for any reason, including a business conflict of interest, antitrust, or other reason pertaining to IAG's compliance policies.

Participation in Trade Associations

An IAG colleague who participates in a trade, industry or professional group, should not use this group as a forum for reaching unlawful agreements or improperly exchanging competitively sensitive information. When joining any external association applicable to IAG's line of business, IAG colleagues should:

- Review the agenda of each organization meeting in advance and not attend if it appears that inappropriate subjects will be discussed.
- If the discussion includes competitively sensitive subjects, like prices, costs, or terms offered to clients, indicate that the subject is inappropriate and cease communication with the group. If required, IAG colleagues should remove themselves from the meeting or conversation and request that their departure time be recorded in the organization's meeting minutes. Colleagues are required to immediately report the events of the meeting to IAG's legal advisors.

Maintaining Accurate Records and Reporting

Any interactions IAG colleagues have with competitors or suppliers and any records created relating to the interaction, such as e-mail messages, must be accurately recorded.

If an IAG colleague becomes aware of antitrust or competition-related inquiries from a government agency, they are required to contact IAG's management immediately.

If an IAG colleague becomes aware or suspects any violation of this policy by another colleague, they are required to contact IAG's management immediately.

MANAGEMENT RESPONSIBILITIES

IAG's management is responsible for assessing the Company's risk related to the Competition Act and antitrust laws and to develop appropriate mitigation procedures relative to the Company's level of risk, which may include communications, controls, training, certifications, monitoring and/or documentation requirements.

IAG's management is also responsible for determining, on a risk-based basis, which categories of vendors and third party service providers present a risk of violating the Competition Act and antitrust laws and the controls that should be put in place relative to that risk. In addition, they are responsible for determining the circumstances in which it is appropriate to obtain the agreement of third parties to comply with this policy. All IAG colleagues are responsible for reporting any violations of this policy to IAG's President.

Third Party Responsibilities

When IAG retains third parties to provide services to the Company or its clients, the IAG colleague supervising the third-party relationship is required, when appropriate, to ensure that the third party is in agreement to comply with this policy and any procedures issued pursuant to this policy.

Training and Auditing

All IAG colleagues are required to undergo the training required on this policy. Internal auditing to monitor employee compliance with this policy will be annually and periodically performed, as required. Findings of these audits will be reported to IAG's President. Failure to comply with this policy may result in disciplinary action in accordance with local laws and/or internal Company procedures, up to and including, termination of employment or contract for services.

For more information about our privacy policies and procedures, please contact our Compliance Officers:

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