



HOLDINGS (PTY) LTD

CONFLICT OF INTEREST POLICY

for

AUTOPLEX

and all

its subsidiaries

(Hereinafter referred to as AUTOPLEX)

(Registration number: 2016/481641/07)

TABLE OF CONTENT

1	POLICY STATEMENT.....	3
2	POLICY ADOPTION.....	3
3	DEFINITIONS	3
3.1	Conflict of Interest.....	3
3.2	Financial Interest	3
3.3	Immaterial Financial Interest.....	4
3.4	Ownership Interest.....	4
3.5	Third Party	4
3.6	Associate	5
3.7	Distribution Channel	6
4	PURPOSE OF A CONFLICT OF INTEREST MANAGEMENT POLICY	6
5	IDENTIFYING A CONFLICT OF INTEREST	7
6	AVOIDING AND MITIGATING A CONFLICT OF INTEREST	10
7	DISCLOSURE OF CONFLICTS OF INTEREST	11
8	COMPLIANCE MEASURES.....	12
9	CONSEQUENCES OF NON-COMPLIANCE.....	13
10	ANNEXURE A: LIST OF ASSOCIATES	14
11	ANNEXURE B: OWNERSHIP INTERESTS HELD BY AUTOPLEX.....	15
12	ANNEXURE C: OWNERSHIP INTEREST HELD IN AUTOPLEX	16
13	ANNEXURE D: TYPE OF FINANCIAL INTEREST & ENTITLEMENT THERETO	17
14	ANNEXURE E: OTHER CONFLICTS TO DECLARE.....	18

1 POLICY STATEMENT

- 1.1 Any reference to Autoplex shall include all its subsidiaries.
- 1.2 Any reference to the “organisation” shall be interpreted to include the “policy owner”.
- 1.3 The organisation’s Management Team, its employees, volunteers, contractors, suppliers and any other persons acting on behalf of the organisation are required to familiarise themselves with the policy’s requirements and undertake to comply with the stated processes and procedures.

2 POLICY ADOPTION

By signing this document, I authorise the organisation’s approval and adoption of the processes and procedures outlined herein.

Name & Surname	Johann Mynhardt
Capacity	Chief Executive Officer
Signature	
Date	

3 DEFINITIONS

3.1 Conflict of Interest

3.1.1 Conflict of Interest means:

- 3.1.1.1 any situation in which a provider or a representative has an actual or potential interest that may, in rendering a financial service to a client:
- 3.1.1.2 influence the objective performance of his, her or its obligations to that client; or
- 3.1.1.3 prevent a provider or representative from rendering an unbiased and fair financial service to that client, or from acting in the interest of that client,
- 3.1.1.4 including but not limited to:
 - 3.1.1.4.1 a financial interest.
 - 3.1.1.4.2 an ownership interests.
 - 3.1.1.4.3 any relationship with a third party.

3.2 Financial Interest

3.2.1 Financial Interest means any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, other incentive or valuable consideration, other than:

3.2.1.1 an ownership interests.

3.2.1.2 training, that is not exclusively available to a selected group of providers or representatives, on:

3.2.1.2.1 products and legal matters relating to those products.

3.2.1.2.2 general financial and industry information.

3.2.1.2.3 specialised technological systems of a third party necessary for the rendering of a financial service, but excluding travel and accommodation associated with that training.

3.2.1.3 a recognised qualifying enterprise development contribution to a qualifying beneficiary by a provider that is a measured entity.

3.3 Immaterial Financial Interest

Immaterial Financial Interest means any financial interest with a determinable monetary value, the aggregate of which does not exceed R1 000 in any calendar year from the same third party in that calendar year received by:

3.3.1 a provider who is a sole proprietor; or

3.3.2 a representative for that representative's direct benefit.

3.3.3 a provider, who for its benefit or that of some or all its representatives, aggregates the immaterial financial interest paid to its representatives.

3.4 Ownership Interest

Ownership Interest means

3.4.1 any equity or proprietary interest, for which fair value was paid by the owner at the time of acquisition, other than equity or a proprietary interest held as an approved nominee on behalf of another person, and

3.4.2 includes any dividend, profit share or similar benefit derived from that equity or ownership interest.

3.5 Third Party

Third Party means

3.5.1 a product supplier.

3.5.2 another provider.

3.5.3 an associate of a product supplier or a provider.

3.5.4 a distribution channel.

3.5.5 any person who in terms of an agreement or arrangement with a person referred to above provides a financial interest to a provider or its representatives.

3.6 Associate

Associate means

3.6.1 in relation to a natural person:

3.6.1.1 a person who is recognised in law or the tenets of religion as the spouse, life partner, or civil union partner of that person

3.6.1.2 a child of that person, including a stepchild, adopted child and a child born out of wedlock

3.6.1.3 a parent or stepparent of that person

3.6.1.4 a person in respect of which that person is recognised in law or appointed by a Court as the person legally responsible for managing the affairs of or meeting the daily care needs of the first mentioned person

3.6.1.5 a person who is a spouse, life partner or civil union partner of a person referred to above

3.6.1.6 a person who is in a commercial partnership with that person

3.6.2 in relation to a juristic person:

3.6.2.1 which is a company, means any subsidiary or holding company of that company, any other subsidiary of that holding company and any other company of which that holding company is a subsidiary

3.6.2.2 which is a close corporation registered under the Close Corporations Act, means any member thereof as defined in section 1 of that Act

3.6.2.3 which is not a company or a closed corporation, means another juristic person which would have been a subsidiary or holding company of the first-mentioned juristic person:

3.6.2.3.1 had such first-mentioned juristic person been a company, or

3.6.2.3.2 in the case where that other person, too, is not a company, had both the first-mentioned juristic person and that other person been a company

3.6.2.4 means any person in accordance with whose directions or instructions the board of director of or, in the case where such juristic person is not a company, the Management Team of such juristic person is accustomed to act.

3.6.3 in relation to any person:

3.6.3.1 means any juristic person of which the board of directors or, in the case where such juristic person is not a company, of which the Management Team is accustomed to act in accordance with the directions or instructions of the person first-mentioned in this paragraph

3.6.3.2 includes any trust controlled or administered by that person

3.7 Distribution Channel

Distribution Channel means

3.7.1 any arrangement between a product supplier of any of its associates and one or more providers or any of its associates in terms of which arrangement any support or service is provided to the provider or providers in rendering a financial service to a client

3.7.2 any arrangement between two or more providers or any of their associates, which arrangement facilitates, supports or enhances a relationship between the provider or providers and a product supplier

3.7.3 any arrangement between two or more product suppliers or any of their associates, which arrangement facilitates, supports or enhances a relationship between a provider or providers and a product supplier

4 PURPOSE OF A CONFLICT OF INTEREST MANAGEMENT POLICY

4.1 In terms of Section 3A(2) will every provider, other than a representative, must adopt, maintain and implement a conflict of interest management policy which complies with the provisions of the Financial Advisory and Intermediary Services Act, 37 of 2002.

4.2 In terms of the General Code of Conduct a provider and a representative must avoid, and where this is not possible, mitigate any conflict of interest between the provider and a client, or a representative of the provider and his, her or its clients.

4.3 AUTOPLEX and its representatives are committed towards acting within the best interests of our clients and to avoid all conflict of interests in relation to the provision of financial services. Where we are unable to avoid a conflict of interest, we will take all necessary precautions to ensure that any actual or potential conflict of interest is mitigated and adequately disclosed to our clients.

4.4 To ensure the continued demonstration of our commitment, management has adopted a Conflict of Interest Management policy to provide for the effective management of any actual or potential conflicts of interest that may arise wholly or partially, in relation to the provision of financial services.

4.5 The purpose of the Conflict of Interest Management Policy is therefore to:

4.5.1 establish internal controls and mechanisms towards the identification of conflicts of interest

4.5.2 establish measures to avoid conflicts of interest, and where avoidance is not possible, to provide the reasons therefore

4.5.3 establish measures to ensure that any unavoidable conflicts of interest are mitigated

- 4.5.4 establish measures to ensure the proper disclosure of any conflicts of interest
- 4.5.5 establish processes, procedures and internal controls to facilitate compliance with the policy
- 4.5.6 communicate the consequences of non-compliance with the policy.

5 IDENTIFYING A CONFLICT OF INTEREST

5.1 INDIVIDUAL IDENTIFICATION

- 5.1.1 The primary responsibility for the identification of a conflict of interest rests with the representatives, employees and individual members of the Management Team of AUTOPLEX.
- 5.1.2 Throughout the process of rendering a financial service to a client, a representative must apply his or her mind to answering the following questions:
 - 5.1.2.1 is there any situation that exists that influences the objective performance of my obligations to my client?
 - 5.1.2.2 is there any situation that exists that prevents me from rendering an unbiased and fair financial service to my client?
 - 5.1.2.3 is there any situation that exists that prevents me from acting in the best interest of my client?
- 5.1.3 If the answer to all three questions is “no”, then there is no conflict of interest associated with the financial service and the representative may proceed.
- 5.1.4 If the answer to any one of the three questions is “yes”, the representative must proceed to answer the following additional questions:
 - 5.1.4.1 is the situation caused because of an actual or potential relationship with a third party? (See definition of “third party”)
 - 5.1.4.2 is the situation caused by an actual or potential financial or ownership interest? (See definition of “financial interest” and “ownership interest”)
 - 5.1.4.3 If the answer to any one of these questions is “yes”, an actual or potential conflict of interest will have been identified.

5.2 3.2 FURTHER GUIDANCE ON IDENTIFYING A CONFLICT OF INTEREST

- 5.2.1 The definition of a Conflict of Interest incorporates the following terminology:
 - 5.2.1.1influence the “objective performance” of his, her or its obligations to that client....
 - 5.2.1.2prevent a provider or representative from rendering an “unbiased and fair financial service” to that client.....
 - 5.2.1.3including but not limited to a “financial interest”

- 5.2.2 It is generally understood that the word “objective” refers to a situation where an individual’s personal feelings or opinions are completely removed from the equation. The “objective performance” of AUTOPLEX or representative’s obligations therefore implies a situation where financial services are rendered without any untoward influences.
- 5.2.3 The word “bias” or “biased” is understood to mean a form of prejudice towards a particular person or viewpoint, whereas the word “fair” or “fairness” indicates a situation of just circumstances or being treated on an equal footing. An unbiased financial service therefore implies a financial service that does not lend itself to a particular persuasion, where no reasonable justification for such persuasion can be found. Similarly, a fair financial service implies a situation where the same conclusion or outcome will consistently present itself given the exact same set of circumstances.
- 5.2.4 Subject to section 3A(1)(c) of the General Code of Conduct, AUTOPLEX and its representatives may only receive or offer the following “financial interest” from or to a “third party”:
- 5.2.4.1 commission authorised under the Short-term Insurance Act.
 - 5.2.4.2 fees authorised under the Short-term Insurance Act.
 - 5.2.4.3 fees for the rendering of a financial service in respect of which commission or fees referred to above is not paid, ifs:
 - 5.2.4.3.1 the amount, frequency, payment method and recipient of those fees and details of the services that are to be provided by the provider or its representatives in exchange for the fees are specifically agreed to by a client in writing; and
 - 5.2.4.3.2 those fees may be stopped at the discretion of that client
 - 5.2.4.4 *fees or remuneration for the rendering of a service to a third party .
- [*The FSP or its representatives may only receive or offer these financial interests if –
- 5.2.4.4.1 those financial interests are reasonably commensurate with the service being rendered, taking into account the nature of the service and the resources, skills and competencies reasonably required to perform it;
 - 5.2.4.4.2 the payment of those financial interests does not result in the FSP or representative being remunerated more than once for performing a similar service;
 - 5.2.4.4.3 any actual or potential conflicts between the interests of clients and the interests of the person receiving the financial interests are effectively mitigated; and
 - 5.2.4.4.4 the payment of those financial interests does not impede the delivery of fair outcomes to clients.]
 - 5.2.4.5 an immaterial financial interest (subject to any other law).

- 5.2.4.6 a financial interest, not referred to above for which a consideration, fair value or remuneration that is reasonably commensurate to the value of the financial interest, is paid by that FSP or representative at the time of receipt thereof

5.2.5 AUTOPLEX will not offer any financial interest to its representatives for:

- 5.2.5.1 that is determined with reference to the quantity of business secured for the FSP without also giving due regard to the delivery of fair outcomes for clients; or
- 5.2.5.2 for giving preference to a specific product supplier, where a representative may recommend more than one product supplier to a client; or
- 5.2.5.3 for giving preference to a specific product of a product supplier, where a representative may recommend more than one product of that product supplier to a client.

5.3 The FSP must be able to demonstrate that the determination and entitlement to the financial interest, that may not be offered to representatives as determined by quantity of business secured without also giving due regard to the delivery of fair outcomes for clients, takes into account measurable indicators relating to the-

- 5.3.1 achievement of minimum service level standards in respect of clients;
- 5.3.2 delivery of fair outcomes for clients;
- 5.3.3 quality of the representative's compliance with this Act;

as agreed between the FSP and the representative, and that sufficient weight is attached to such indicators to materially mitigate the risk of the representative giving preference to the quantity of business secured for the provider over the fair treatment of clients

5.4 INTERNAL CONTROLS TO IDENTIFY CONFLICTS OF INTEREST

AUTOPLEX has implemented the following internal controls to identify actual or potential conflicts of interest that may arise:

- 5.4.1 The Management Team of AUTOPLEX conducts annual reviews on all contracts held with third parties to assess whether the contractual relationship in any way influences AUTOPLEX's objective performance towards its clients
- 5.4.2 The Management Team of AUTOPLEX conducts annual reviews on all contracts held with third parties to assess whether the contractual relationship in any way influences AUTOPLEX's ability to render fair and unbiased financial services towards its clients
- 5.4.3 The Management Team of AUTOPLEX conducts annual reviews on all contracts held with third parties to assess whether the contractual relationship in any way influences AUTOPLEX's ability to act in the best interest of the client
- 5.4.4 The Management Team of AUTOPLEX conducts annual reviews on all relationships where an ownership interest exists between AUTOPLEX and a

third party. The purpose of the review is to assess whether the relationship in any way influences AUTOPLEX's objective performance towards its clients

- 5.4.5 The Management Team of AUTOPLEX conducts annual reviews on all relationships where an ownership interest exists between AUTOPLEX and a third party. The purpose of the review is to assess whether the relationship in any way influences AUTOPLEX's ability to render fair and unbiased financial services towards its clients
- 5.4.6 Conflict of Interest declarations are signed by all relevant personnel on a quarterly basis. The purpose of collecting Conflict of Interest declarations is to assist AUTOPLEX and the appointed Compliance Officer to identify actual or potential conflicts of interest
- 5.4.7 A list of AUTOPLEX's associates is attached as an annexure hereto. The list is reviewed on an annual basis
- 5.4.8 A list of all third parties in which AUTOPLEX holds an ownership interest is attached as an annexure hereto. The list is reviewed on an annual basis
- 5.4.9 A list of all third parties that holds an ownership interest in AUTOPLEX is attached as an annexure hereto. The list is reviewed on an annual basis
- 5.4.10 AUTOPLEX maintains a Gift Register. All gifts received from a third party with an estimated value of R500 or more will be recorded in AUTOPLEX's Gift Register. The Gift Register is kept in AUTOPLEX's Compliance Manual
- 5.4.11 All relevant personnel (Key Individuals and Representatives) are required to immediately disclose in writing to the Management Team of AUTOPLEX and AUTOPLEX's Compliance Officer, any actual or potential conflicts of interest as soon as they become aware of such situation

6 AVOIDING AND MITIGATING A CONFLICT OF INTEREST

Once an actual or potential conflict of interest has been identified, the following procedures will be followed to determine whether the conflict of interest is avoidable:

- 6.1 The Management Team of AUTOPLEX will convene and evaluate the actual or potential conflict of interest in an open and honest manner
- 6.2 All information that is led up to and resulting in, or causing the actual or potential conflict of interest will be disclosed to AUTOPLEX's Management Team and AUTOPLEX's compliance officer
- 6.3 The Management Team of AUTOPLEX will apply its mind and determine by way of majority vote whether AUTOPLEX is able to avoid the actual or potential conflict of interest
- 6.4 During the evaluation process, the Management Team of AUTOPLEX will consider the following possible outcomes prior to a finding in favour of unavoidability:
 - 6.4.1 The possible negative impact it will have on AUTOPLEX's clients where the actual or potential conflict of interest is deemed to be unavoidable

- 6.4.2 The possible negative impact it will have on the integrity of the financial services industry where the actual or potential conflict of interest is deemed to be unavoidable
- 6.5 Where the Management Team of AUTOPLEX has determined that the actual or potential conflict of interest is in fact avoidable, the following processes will be followed:
 - 6.5.1 The Management Team will remove the underlying cause or situation that results in the actual or potential conflict of interest as soon as reasonably possible
 - 6.5.2 Any immediate negative impact or prejudice towards clients pending the removal of the actual or potential conflict of interest will be kept to a minimum
 - 6.5.3 The reasons why the actual or potential conflict of interest was determined to be avoidable will be recorded in AUTOPLEX's Compliance Manual
 - 6.5.4 Similar circumstances that have led up to the actual or potential conflict of interest will be avoided in the future
- 6.6 Where the Management Team of AUTOPLEX has determined that the actual or potential conflict of interest is unavoidable, the following processes will be followed:
 - 6.6.1 The Management Team of AUTOPLEX and AUTOPLEX's compliance officer will convene and determine the measures that will be implemented to mitigate the actual or potential conflict of interest as far as reasonably possible
 - 6.6.2 The reasons why the actual or potential conflict of interest was unavoidable will be recorded in AUTOPLEX's Compliance Manual
- 6.7 Any measures implemented towards mitigating the actual or potential conflicts of interest will include the following arrangements:
 - 6.7.1 The status of whether the actual or potential conflicts of interest's is still deemed to be unavoidable shall be reassessed on a continuous basis.
 - 6.7.2 Where a previously deemed unavoidable actual or potential conflicts of interest is subsequently deemed to be avoidable, such actual or potential conflict of interest shall immediately be avoided.
 - 6.7.3 All representatives will be notified of any actual or potential conflicts of interest as well as the reasons for its unavoidability.
 - 6.7.4 When rendering a financial service, a representative shall be required to disclose to the client in writing that an actual or potential conflict of interest exist.
 - 6.7.5 AUTOPLEX and/or AUTOPLEX's compliance officer shall report on the status of the actual or potential conflict of interest in AUTOPLEX's compliance report to be submitted to the Financial Services Board.

7 DISCLOSURE OF CONFLICTS OF INTEREST

- 7.1 It is acknowledged that while disclosure alone will often not be enough, disclosure must be treated as an integral part of managing conflicts of interest. AUTOPLEX is

therefore committed to ensure that clients are fully informed about actual or potential conflicts of interest in relation to the provision of financial services.

7.2 AUTOPLEX has adopted the following disclosure measures:

- 7.2.1 AUTOPLEX shall disclose to a client any conflict of interest in respect of that client
- 7.2.2 The disclosure shall be made in writing at the earliest reasonable opportunity. The disclosure may be communicated by way of appropriate electronic media.
- 7.2.3 The disclosure shall include the nature of any relationship or arrangement with a third party that gives rise to a conflict of interest.
- 7.2.4 The disclosure shall be made in sufficient detail to enable the client to understand the exact nature of the relationship or arrangement and the conflict of interest.
- 7.2.5 The disclosure shall include the measures taken to avoid or mitigate the conflict.
- 7.2.6 The disclosure shall include any ownership interest or financial interest, other than an immaterial financial interest, that AUTOPLEX or representative may be or become eligible for.
- 7.2.7 The disclosure shall include a reference to AUTOPLEX's Conflict of Interest Management Policy and how it may be accessed.

8 COMPLIANCE MEASURES

- 8.1 The measures implemented towards ensuring AUTOPLEX's continued compliance with the Conflict of Interest Management Policy rests with the Management Team of AUTOPLEX. AUTOPLEX's appointed Compliance Officer will monitor AUTOPLEX's continued compliance with the policy on an ongoing basis.
- 8.2 AUTOPLEX has adopted the following internal controls and processes:
 - 8.2.1 The Management Team of AUTOPLEX shall ensure that the Conflict of Interest Management Policy is kept in AUTOPLEX's Compliance Manual
 - 8.2.2 The Management Team of AUTOPLEX shall ensure that all relevant personnel read the Conflict of Interest Management Policy and understand their duties in respect thereof
 - 8.2.3 The Management Team of AUTOPLEX shall ensure that all personnel, and where appropriate, associates are made aware of the contents of the Conflict of Interest Management Policy and shall provide personnel with training and educational material where deemed appropriate
 - 8.2.4 The Management Team of AUTOPLEX shall ensure that all Conflict of Interest declarations are signed by relevant personnel on a quarterly (3 monthly) basis
 - 8.2.5 Where an employee or representative have any concerns whether an actual or potential conflict of interest might arise in a particular situation, the employee or representative will be required to refer his or her concern to AUTOPLEX's Compliance Officer

- 8.2.6 The Management Team of AUTOPLEX shall ensure that a list of all AUTOPLEX's associates is annexed to the Conflict of Interest Management Policy and that a review of the list shall be conducted annually.
- 8.2.7 The Management Team of AUTOPLEX shall ensure that a list of all the parties in which AUTOPLEX holds an ownership interest is annexed to the Conflict of Interest Management Policy and that a review of the list shall be conducted annually.
- 8.2.8 The Management Team of AUTOPLEX shall ensure that a list of all third parties that holds an ownership interest in AUTOPLEX is annexed to the Conflict of Interest Management Policy and that a review of the list shall be conducted annually.
- 8.2.9 The Management Team of AUTOPLEX shall continue to maintain a Gift Register and shall ensure that all gifts received from a third party with an estimated value of R500 or more are recorded in AUTOPLEX's Gift Register.
- 8.2.10 The Management Team of AUTOPLEX shall ensure that the proper disclosures are made to the client regarding actual or potential conflicts of interest.
- 8.2.11 The Conflict of Interest Policy shall be regularly reviewed by the appointed Compliance Officer, and where necessary, updated to ensure that the measures contained herein remains effective.
- 8.2.12 The Management Team of AUTOPLEX shall publish its Conflict of Interest Management Policy in appropriate media and ensure that it is easily accessible for public inspection at all reasonable times.
- 8.2.13 The Management Team of AUTOPLEX shall ensure that the Conflict of Interest Management Policy is reviewed on at least an annual basis.

9 CONSEQUENCES OF NON-COMPLIANCE

- 9.1 Where there is reason to believe that an employee or representative has failed to disclose an actual or potential conflict of interest via the proper communication channels, AUTOPLEX will proceed to investigate and take any appropriate steps it deems necessary to limit any financial prejudice that may be suffered by AUTOPLEX, its clients or any other third party.
- 9.2 Where an investigation concludes that an employee or representative of AUTOPLEX has indeed failed to disclose an actual or potential conflict of interest, AUTOPLEX shall immediately take appropriate disciplinary steps and corrective actions against such employee or representative. Any failure by an employee to comply with the Conflict of Interest Management Policy will be considered serious form of misconduct and a dismissible offence.

10 ANNEXURE A: LIST OF ASSOCIATES

In terms of Section 3A(2)(b)(iii) of the General Code of Conduct, a Conflict of Interest Management Policy must include a list of all AUTOPLEX's associates.

Please refer to the definition of an "associate" and list all AUTOPLEX's associates, as well as the nature of the associate relationship:

Autoplex Holdings (Pty) Ltd – Holding Company
Paladin Underwriting Managers (Pty) Ltd – Subsidiary of Holding Company
African Motor Underwriters (Pty) Ltd – Subsidiary of Holding Company
SA Underwriting Agencies (Pty) Ltd – Subsidiary of Holding Company

Key Individual Signature:	
Date:	

11 ANNEXURE B: OWNERSHIP INTERESTS HELD BY AUTOPLEX

In terms of Section 3A(2)(b)(v) of the General Code of Conduct, a Conflict of Interest Management Policy must include the names of any third parties in which the provider holds an ownership interest.

Please refer to the definition of a “third party” and “ownership interest” and list all third parties in which AUTOPLEX holds an ownership interest. Also specify the nature and extent of the ownership interest.

None

Key Individual Signature:	
Date:	

12 ANNEXURE C: OWNERSHIP INTEREST HELD IN AUTOPLEX

- 12.1 In terms of Section 3A(2)(b)(vii) of the General Code of Conduct, a Conflict of Interest Management Policy must include the names of any third parties that holds an ownership interest in the provider.
- 12.2 Please refer to the definition of a “third party” and “ownership interest” and list all third parties that hold an ownership interest in AUTOPLEX. Also specify the nature and extent of the ownership interest.

None

Key Individual Signature:	
Date:	

13 ANNEXURE D: TYPE OF FINANCIAL INTEREST & ENTITLEMENT THERETO

In terms of Section 3A(2)(b)(ii), a Conflict of Interest Management Policy must specify the type of financial interest that the provider will offer a Representative and the basis on which a Representative will be entitled to such a financial interest. The Conflict of Interest Management Policy must also include a motivation regarding how the financial interest complies with sections 3A(1)(b) and 3A(1)(bA).

Please refer to the definition of “Financial Interest” and specify in the table below which types of financial interest is offered by the provider to its Representatives. Also specify the basis on which these Representatives are entitled to such a financial interest. Lastly, specify how the financial interest afforded to the Representatives comply with sections 3A(1)(b) and 3A(1)(bA).

Form of Financial Interest Section 3A(1)(a)(i) – (vii)	Basis for entitlement to Financial Interest	Compliance with Sections 3A(1)(b) and 3A(1)(bA)
Commission authorised under the Short-term Insurance Act, 1998 (Act No. 53 of 1998).	NIL	
Fees for the rendering of a financial service in respect of which commission or fees referred to above is not paid, if The amount, frequency, payment method and recipient of those fees and details of the services that are to be provided by the provider or its representatives in exchange for the fees are specifically agreed to by a client in writing; and Those fees may be stopped at the discretion of that client.	NIL	
Fees or remuneration for the rendering of a service to a third party.	NIL	
Subject to any other law, an immaterial financial interest.	NIL	
A financial interest, not referred to in the column above, for which a consideration, fair value or remuneration that is reasonably commensurate to the value of the financial interest, is paid by that provider or representative at the time of receipt thereof.	NIL	

14 ANNEXURE E: OTHER CONFLICTS TO DECLARE

Examples:

- Binder holder
- Agreement with another FSP
- Reps on other rep registers

[illegible]