EAGLE FOUR
FSP LICENSE 48484

CONFLICT OF INTEREST MANAGEMENT POLICY

Version 0001
2018

As an authorised FSP, the Company is obliged to comply with the prescribed Conflict of Interest provisions of the FAIS Act. This Policy gives effect to section 3A (2) (a) of the General Code of Conduct. The Company is obliged to render unbiased and fair financial services to Clients. Accordingly, all employees of the Company who are involved in the business of the Company are obliged to conduct themselves in a professional manner and in line with this Policy. All employees should also take all reasonable steps to avoid any business activities and/or practices that may create Conflicts of Interest between the Company and Employee interests, and the interests of Clients. In the event that it is not possible to avoid a Conflict of Interest, the Company will take all reasonable steps to mitigate the impact as well as appropriately disclosing any such Conflict of Interest to Clients.

In considering potential Conflicts of Interest, the Company considers: the structure and business activities of the Company; and/or any proposed new business activities of the Company.

The Company has introduced reasonable mechanisms to identify Conflicts of Interest between:

- itself, Employees and Clients and
- third parties or service providers and product providers

"Conflict of interest" - Any situation in which the Company or any of its employees and representatives may have an actual or potential interest that may, in rendering a financial service to a client –

- Influence the objective exercise of the Company's obligations to a client, or
- Prevent the Company from rendering an unbiased and fair financial service, or from acting in the interest of the client.

"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

- An ownership interest; or
- Training, that is not exclusively available to a selected group of providers on products and legal matters relating to those products, general financial and industry information, specialised technological systems of a third party necessary for the rendering of a financial service, but excluding travel and accommodation, associated with that training.

"Financial service" means any service contemplated in functions set out under the definition of "financial services provider", including any category of such services.

"Financial services provider" means any person, other than a representative, who as a regular feature of the business –

- furnishes advice; or
- furnishes advice and renders any intermediary service; or
- renders an intermediary service.

"Interest" - includes but is not limited to a financial interest, ownership interest or any relationship with a third party.

"Immaterial financial interest" - means any financial interest with a determinable monetary value, the aggregate of which does not exceed R1000.00 in any calendar year from the same third party in that calendar year received by –

- A provider who is a sole proprietor
- A representative for that representative's direct benefit; or
- A provider, who for its benefit or that of some or all of its representatives, aggregates the immaterial financial interest paid to its representatives.

"Key individual", in relation to an authorised financial services provider, or a representative, carrying on business as –

- a corporate or unincorporated body, a trust or a partnership, means any natural person responsible for managing or overseeing, either alone or together with other responsible persons, the activities of the body, trust or partnership relating to the rendering of any financial service; or
- a corporate body or trust consisting of only one natural person as member, director, shareholder or trustee, means any such a natural person;

"**Ownership interest**" - means any equity or proprietary interest for which the 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. It includes any dividend, profit share or other benefit derived from that equity or ownership interest.

"**Product supplier**" means any person who issues a financial product.

"Representative" means any person, including a person employed or mandated by the first-mentioned person, who renders a financial service to a client for or on behalf of a financial services provider, in terms of conditions of employment or any other mandate. It excludes a person rendering clerical, technical, administrative, legal, accounting or other service in a subsidiary or subordinate capacity, which service-

- does not require judgment on the part of the latter person; or
- does not lead a client to any specific transaction in respect of a financial product in response to general enquiries.

"**Third party**" - includes: product suppliers, another provider, associates of product suppliers and providers and distribution channels.
Purpose of this Policy:

- The purpose of this Conflict of Interest Management Policy is primarily to provide mechanisms for the identification and management of Conflicts of Interest that may arise in the rendering of financial services to Clients.
- It further seeks to adopt measures to avoid any Conflict of Interest, identify the existence of any Conflict of Interest, and to disclose the existence of a conflict of interest. Further, it seeks to set out the process, procedures and internal controls to facilitate compliance with the Policy as well as to highlight the consequences of non-compliance with the Policy by the Company's employees and representatives.

<u>Guideline:</u>
This Policy is by no means an exhaustive analysis addressing every Conflict of Interest situation that might arise. The Policy provides a guide as to what constitutes a Conflict of Interest, the processes and procedures that are in place in order to facilitate compliance and, the consequences of non-compliance. The Policy is intended to assist employees in making the right decisions when confronted with potential Conflict of Interest issues.

<u>Leadership:</u>
The Company's Board of Directors and the Key Individual oversee the business of the Company including the compliance with all applicable legislation, and this Policy. Management plays a key role in the application of this Policy and are expected to demonstrate their personal commitment to this Policy and ensure the compliance by its employees. Management is obliged to maintain a workplace environment that nurtures and ensures compliance with this Policy.

<u>The Policy applies to:</u>
All directors, employees and representatives of the Company are required to comply with this Policy. The Policy applies across the whole spectrum of the Company's business.

EAGLE FOUR (PTY) LTD COMPANY REG: 2012/028656/07, FSP: 48484
MY PRIVATE DEALER (PTY) LTD T/A EAGLE SUZUKI COMPANY REG: 2022/215451/07
DIRECTORS: TJ LANDEY, C GILLESEN, I REYMOND, PG STEYN, W SKINNER (NON-EXEC)
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Guiding Principle and Treating Customers Fairly:
The guiding principles of this Policy are that the Company and its representatives must, when rendering financial services, act honestly, fairly, with due care, skill and diligence. There must, at all times, be a regard to fair outcomes for customers, the interest of the clients and the integrity of the Company as well as that of the financial services industry as a whole. Representatives of the Company are discouraged from engaging in situations that will give rise to an actual or potential Conflict of Interest situation.

An FSP or its representatives may only receive or offer the following:

- Commission and fees authorised under the Short-Term Insurance Act, provided that the fees are reasonably commensurate.
- Fees for rendering financial services which is not remunerated as set out in clause
- which are specifically agreed to by a client, in writing, and which may be prohibited or declined at the discretion of that client.
- Fees or remuneration for rendering of a service to a third party, or a distribution channel (such as an arrangement between a product supplier or any of its associates and one or more providers and any of its associates), which fees or remuneration are reasonably commensurate to the service being rendered.
- A financial interest for which a consideration, fair value or remuneration that is reasonably commensurate to the value of the financial interest is paid by the provider or Representative at the time of receipt.
- An FSP/representative can spend up to a maximum of R1000. 00, per calendar year, per FSP and/or a representative. One is obliged to maintain a proper record of any financial interest provided. Attached, marked **Annexure "A"** is a form which must be used when any financial interest is offered to a FSP and/or its representative. The Key Individual(s) are responsible for updating and to keep the Interest Register safe. Representative(s) who want to access the interest register must request the Key Individual to provide them with a copy.
- The purpose of business gifts and entertainment in commercial settings is to create goodwill and nurture sound working relationships, rather than to gain any unfair advantage with customers and or the Company clients. Reasonable business entertainment and customer gifts of immaterial financial interest are permitted, including promotional events, provided that the offer is consistent with usual business practice and cannot be viewed as a bribe or a payoff and certainly cannot be in violation of this Policy.

Consequences of non-compliance with this Policy:

- Company employees are obliged to report every suspected or actual transgression of this Policy to the Company Directors or the Key Individual. All employees should avoid any situation that may create or appear to create a situation which could be deemed a Conflict of Interest as, once there is a Conflict of Interest, Company employees may find it difficult to perform their duties and/or carry on with their work responsibilities impartially.

- A violation of this Policy is a serious matter that could cause harm to the Company and also could result in disadvantaging certain of the Company's clients.

- Any employee, of the Company, who fails to comply with this Policy or avoids compliance through any means, will be regarded as having breached his/her employment contract. This will potentially render the individual liable to the appropriate disciplinary proceedings in terms of the FAIS Act and Company's Disciplinary Code.

Amendments to this Policy:
The Board has adopted this Policy as well as the policies relating to the identified categories of potential Conflicts of Interest. The Board of Directors, without prior notice to or having been in consultation or reaching agreement with any FSP or its representative, may amend this Policy. Material amendments that are made to this Policy shall be made available to all employees on the web page.
This Policy will be reviewed on an annual basis or as required from time to time; and where necessary, updated to ensure that the provisions remain sufficient to identify, assess, evaluate and mitigate Conflicts of Interest.

Measures aimed at identifying Conflict of Interest:

- It is the responsibility of all employees of the Company to maintain the good name and standing of the Company by conducting themselves professionally and in accordance with all rules, regulations and legislation which govern the conduct of the Company.

- Compliance with all rules, regulations and legislation is the individual responsibility of each employee. Each employee must accept personal responsibility for behaving correctly and in accordance with this Policy. Likewise, each employee is obliged to avoid or prevent any actions that are contrary to the content of this Policy and which could cause any harm to the Company as a result.

- Set out below are various ways in which the Company can identify any Conflict of Interest:

- use of the Company's declaration of interest register will provide information on Conflict of Interest;

- monitoring the Conflict of Interest declaration register, annually;

- regular monitoring of commissions and fees that are paid /received by business partners.

- monitoring of gifts/financial interest offered or received by the Company on a continual basis.

- The above is not an exhaustive list of how to identify the existence of a Conflict of Interest.

Process, procedures and internal controls aimed at facilitating compliance:

- All Employees must know and understand the Conflict of Interest Management Policy as well as the policies relating to the identified
- categories of potential conflicts of interests. Appropriate training will be provided to all Employees on a periodic basis.
- If any employee at any level within the Company is in any doubt as to whether a particular conduct amounts to a conflict of interest or not, that employee must contact his/her immediate manager for clarity and guidance.
- Should a manager or supervisor be in doubt as to what would be appropriate, he or she must consult the Key Individual.

Measures aimed at mitigating Conflict of Interest:

- Company employees should avoid engaging in activities which will result in a Conflict of Interest. One must not use improper means to; for example, obtain business from a particular client or third party.
- If Company employees realise that there is a potential or actual Conflict of Interest, the employee must, timeously and fully disclose any such potential or actual existence of a conflict to the Company by reporting it to their immediate superior. This will enable the Company to decide whether or not to engage with the employee/transgressor in question;
- Company employees, who are faced by a Conflict of Interest situation which is unavoidable, must ensure that the necessary disclosures are made to the client and to the Company.
- Should any employee not be certain about an intended transaction of theirs being a possible transgression of this Policy, the employee must approach the Key Individual who will evaluate the intended transaction and give guidance;
- The Company may not offer any financial interest to its representatives for:
- Giving preference to the quantity of business secured for the Company to the exclusion of the quality of the service rendered to clients;
- Giving preference to a specific product supplier, where a representative may recommend more than one product supplier to client or
- Giving preference to a specific product of a product supplier, where a representative may recommend more than one product supplier to a client.
- The above aims to ensure that, clients are treated fairly and fully protected from undue and uncompetitive behaviour by product suppliers and /or their representatives. The ultimate objective is to ensure that the best possible financial services are rendered to clients at all times.
- In order to ensure that quality is not compromised in favour of quantity, our compliance company (Associated Compliance) monitors the ROA of representatives on a quarterly basis and the Key Individual on a monthly basis. The findings are shared with the Directors of the Company.

Publication and reporting:
This Policy is available on the Company's website .The Company's annual FAIS Compliance Management report will include a report on accessibility, implementation, monitoring and compliance of this Policy.

Regarding this Policy can be directed to the Compliance Department.

ANNEXURE "A"

CONFLICT OF INTEREST MANAGEMENT POLICY: DISCLOSURE OF INTEREST		
Individual and/or Business unit disclosing the information:	**Nature of benefit offered/received or Conflict of Interest offered and/or received and the reasons therefore:**	**Value of benefit or Conflict of Interest offered/received and date of offer/receipt:**
1.		
2.		
3.		

Approved on behalf of the Board of Directors.