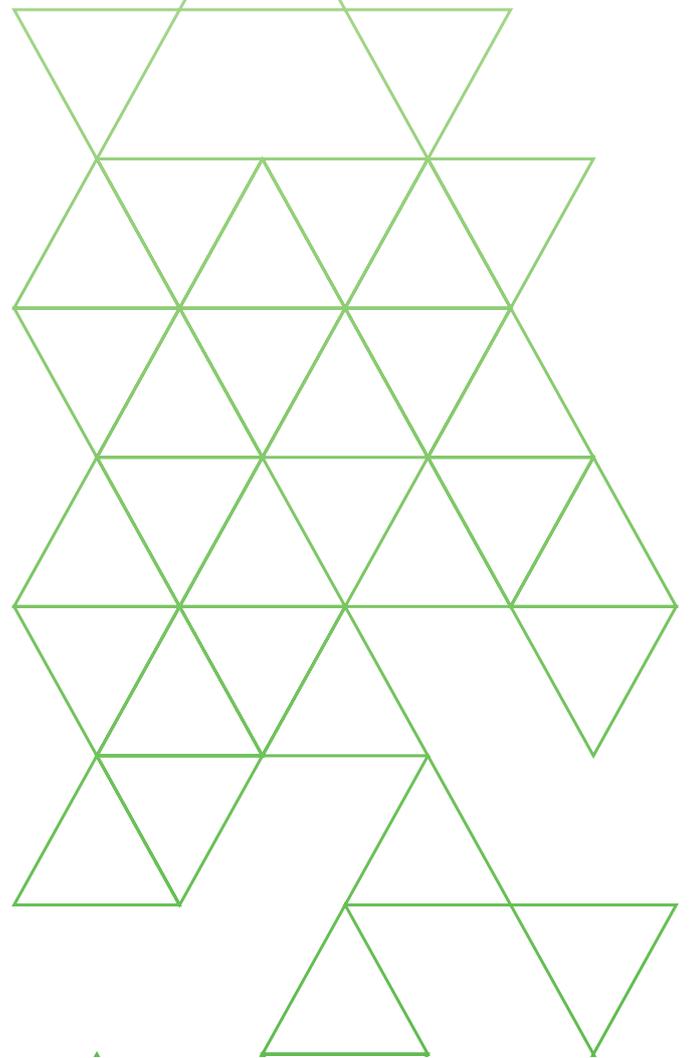




INSURANCE UNDERWRITING MANAGERS

# CONFLICT OF INTEREST POLICY



## Document Control

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# Conflict of Interest Management Policy

## Foreword

In terms of the General Code of Conduct IUM and a representative must avoid, and where this is not possible, mitigate any conflict of interest between IUM and a client or the representative and a client. In order to adhere to this requirement, IUM must ensure that adequate arrangements are in place for the management of conflicts of interests that may arise wholly or partially, in relation to the provision of any financial services to clients by IUM, or any Representative of IUM, as part of the financial services business of the IUM.

**The conflict of interest management policy contains the following provisions:**

Instruction	Achieved	Partially achieved	Not yet achieved	Not applicable
Mechanisms for the identification of conflicts of interest				
Measures for the avoidance of conflicts of interest, and where avoidance is not possible, the reasons therefore and the measures for the mitigation of such conflicts of interest				
Measures for the disclosure of conflicts of interest				
The processes, procedures and internal controls to facilitate compliance with the policy				
Consequences of non-compliance with the policy by the provider's employees and representatives				
The basis on which a representative will qualify for a financial interest				
A list of all IUM's associates				
A list of all parties in which IUM holds ownership interest				
A list of all third parties that holds an ownership interest in IUM				

## Policy on Conflict of Interest

"A conflict of interest is a situation in which financial or other personal considerations have the potential to compromise or bias professional judgment and objectivity."

### Introduction

In terms of the Financial Advisory and Intermediary Services Act, Act No 37 of 2002 and its subordinate legislation, Insurance Underwriting Managers (Pty) Ltd, (IUM) is required to maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to identify, monitor and manage a conflict of interest. The General Code of Conduct contains various provisions which are indicative of the relevance of a conflict of interest and fair treatment of clients.

1. In terms of Section 3A (2) (a) of the General Code of Conduct "every provider, other than a representative, must adopt, maintain and implement a conflict of interest management policy that complies with the provisions of the Act.
2. A nominated Key Individual must acknowledge IUM's ownership of the policy, by completing and signing the policy.
3. A nominated Key Individual must complete and sign the annexure sections of the policy.
4. All Key Individuals and persons associated with the Key Individuals of IUM must confirm the adoption of this policy, by signing the document. All employees must read and confirm that they understand the contents of the policy, by signing the personnel acknowledgement page (print additional copies of this page should the need arise)
5. After implementing the policy, retain a hardcopy of this document as part of your compliance file.
6. The policy must be accessible for public inspection purposes.
7. Refer back to the policy whenever an actual or potential conflict of interest manifests itself.
8. This policy must be read and understood in conjunction with the General Code of Conduct.
9. This policy must be reviewed annually.

### Section 3(1) (b)

"When a provider renders a financial service the provider must disclose to the client the existence of any personal interest in the relevant service, or of any circumstance which gives rise to an actual or potential conflict of interest in relation to such service, and take all reasonable steps to ensure fair treatment of the client."

### Section 3(1) (c)

"Non-cash incentives offered and/or other indirect consideration payable by another provider, a product supplier or any other person to the provider could be viewed as a potential conflict of interest."

### Section 7(1) (c) (vi)

"... a provider must ... in particular, at the earliest reasonable opportunity, provide, where applicable, full and appropriate information of the following:

The nature, extent and frequency of any incentive, remuneration, consideration ... which will or may become payable to the provider, directly or indirectly, by any product supplier or any person other than the client, or for which the provider may become eligible, as a result of rendering of the financial service ...."

## Section 7(1) (d)

“the service must be rendered in accordance with the contractual relationship ... and with due regard to the interests of the client which must be accorded appropriate priority over any interests of the provider.”

## Section 7(1) (f)

“the provider must not deal in any financial product, for own benefit, account or interest where the dealing is based upon advanced knowledge.... which would be expected to affect the prices of such product.”

## Other

The General Code of Conduct also prescribes that you should disclose to a client the fact that you hold 10% or more shares in a product supplier and whether you received more than 30% of your remuneration from one product supplier over a 12 months period. The compliance report poses the question whether you sell financial products of only one product supplier. IUM has put in place a policy to safeguard its clients’ interests and ensure fair treatment of clients. The key information is summarised below. Detailed information may be obtained upon request from the key individual who is responsible to monitor and manage a conflict of interest on behalf of IUM.

## Our Objectives

IUM is an authorised financial services provider. Any financial services provider, such as IUM, is potentially exposed to a conflict of interest in relation to various activities. However, the protection of our client’s interests is our primary concern as stated in our policy:

Instruction	Achieved	Partially achieved	Not yet achieved	Not applicable
We will identify circumstances which may give rise to an actual or potential conflict of interest entailing a material risk of damage to our clients’ interests				
We have established appropriate structures and systems to manage this conflict				
We will maintain systems in an effort to prevent damage to our client’s interests through identified conflict				

## Conflict of Interest

- IUM strives towards ensuring it is able to appropriately and effectively identify and manage potential conflict. It will manage potential conflict through avoidance, establishing confidentiality barriers or by providing appropriate disclosure of the conflict to affected clients.
- In determining whether there is or may be a conflict of interest to which the policy applies, IUM considers whether there is a material risk of damage to the client, taking into account whether IUM or an employee thereof
  - is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
  - has an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client’s interest in that outcome;
  - has a financial or other incentive to favor the interest of another client or group of clients over the client’s interests;
  - receives or shall receive from a person other than the client, an inducement in relation to a service provided to the client in the form of monies, goods or services, other than the standard commission or fee for that service.
- Our policy defines a possible conflict of interest as:
  - a conflict of interest between IUM and the client;
  - a conflict of interest between our clients if we are acting for different clients and the different interests conflict materially;
  - holding confidential information on clients which, if we disclosed or utilized, would affect the advice or services provided to clients.

## Management

The measures IUM have adopted to manage identified conflict is summarized below. We consider them appropriate in our efforts to ensure that reasonable care is taken, in relation to each identified potential conflict of interest, and to act impartially to avoid a material risk of harming clients’ interests.

Instruction	Achieved	Partially achieved	Not yet achieved	Not applicable
<b>Procedure</b>				
We have adopted appropriate procedures throughout the business to manage a potential conflict of interest				
Our mandatory’s and employees receive guidance and training in these procedures and they are subject to monitoring and review the processes				
<b>Confidentiality Barriers</b>				
Our mandatory’s and employees respect the confidentiality of client information and disclose or use it with circumspect				
No such information may be disclosed to a third party without the written consent of a client				

<b>Monitoring</b>				
The Key Individual/s or Compliance Officer in charge of supervision and monitoring of this policy will regularly provide feedback on all related matters				
<b>Inducements</b>				
Inducements from third parties in relation to services provided to clients are acceptable to IUM, only if they are appropriately disclosed to clients and if it is either the payment of a normal fee or commission to continue the quality of our services to clients and would not impair our duty to act in the best interest of clients				
<b>Gifts</b>				
IUM Employees will not accept any gifts. Excessive gifts from clients may result in a conflict of interest, which we are committed to avoiding				
<b>Disclosure</b>				
Where there is no other way of managing a conflict or where the measures in place do not sufficiently protect client's interests, the conflict will be disclosed to allow clients to make an informed decision on whether to continue using our service in the situation concerned				
In all cases, where appropriate and where determinable, the monetary value of non-cash inducements will be disclosed to clients				
<b>Declining to act</b>				
We may decline to act for a client in cases where we believe the conflict of interest cannot be managed in any other way				

## Definitions

### 1. Conflict of interest means:

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:

- a) influence the objective performance of his, her or its obligations to that client; or
- b) prevent a provider or representative from rendering an unbiased and fair financial service to that;
- c) client, or from acting in the interest of that client;
- d) including but not limited to:
  - i) a financial interest;
  - ii) an ownership interest;
  - iii) any relationship with a third party.

### 2. 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:

- a) an ownership interest;
- b) training, that is not exclusively available to a selected group of providers or representatives, on:
  - i) products and legal matters relating to those products;
  - ii) general financial and industry information;
  - iii) specialised technological systems of a third party necessary for the rendering of a financial service; but excluding travel and accommodations associated with that training;

### 3. Ownership interest, means:

- a) any equity or proprietary interest, for which fair value was paid by the owner at the time of acquisition, other than equity or an proprietary interest held as an approved nominee on behalf of another person; and
- b) Includes any dividend, profit share or similar benefit derived from that equity or ownership interest.

### 4. Third party means:

- a) a product supplier; another provider;
- b) an associate of a product supplier or a provider;
- c) a distribution channel;
- d) any person who in terms of an agreement or arrangement with a person referred to in paragraphs (a) to (d) above provides a financial interest to a provider or its representatives.

### 5. Associate, In relation to a natural person, means:

- a) a person who is recognised in law or the tenets of religion as the spouse, life partner, or civil union partner of that person;
- b) a child of that person, including a stepchild, adopted child and a child born out of wedlock;
- c) a parent or stepparent of that person;
- d) 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;
- e) a person who is the spouse, life partner or civil union partner of a person referred to in (ii), (iii) and (iv);
- f) a person who is in a commercial partnership with that person.

6. In relation to a juristic person, means:
- a) which is a company, means any subsidiary or holding company of that company,
  - b) any other subsidiary of that holding company and any other company of which that holding company is a subsidiary.
  - c) which is a closed corporation registered under the Close Corporations Act, means any member thereof as defined in section 1 of that Act.
  - d) 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:
    - i) had such first-mentioned juristic person been a company; or
    - ii) in the case where that other person, too, is not a company, had both the first-mentioned juristic person and that other juristic person been a company
    - iii) means any person in accordance with whose directions or instructions the board of directors of or, in the case where such juristic person is not a company, the Key Individuals of such juristic person is accustomed to act.
7. In relation to any person, means:
- a) any juristic person of which the board of directors or, in the case where such juristic person is not a company, of which the Key Individuals is accustomed to act in accordance with the directions or instructions of the person first-mentioned in this paragraph includes any trust controlled or administered by that person.
8. Distribution channel means
- a) any arrangement between a product supplier or 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.
  - b) 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.
  - c) 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.

## Management Process Identification

In terms of Section 3A (2) (b) (i) (aa) of the General Code of Conduct, a conflict of interest management policy must provide mechanisms for the identification of conflicts of interest.

Due to the intangible nature of an actual or potential conflict of interest, any such manifestation will only be identified once the subjective realisation of its presence has been acknowledged by an individual. The legal duty to avoid whenever possible an actual or potential conflict of interest is therefore, to a large extent, dependent on whether a particular individual believe or perceive a conflict of interest to begin with. It is for this reason that Key Individual/s must apply honest and sage judgement whenever confronted with a situation that may give rise to an actual or potential conflict of interest.

## Representatives

Instruction	Achieved	Partially achieved	Not yet achieved	Not applicable
<b>Throughout the process of rendering a financial service to a client, a representative must apply his or her mind to answering the following questions:</b>				
<b>If the answer to any one of these questions is "no" - No further action would be required</b>				
Is there any situation that exists that influences the objective performance of my obligations to my client?				
Is there any situation that exists that prevents me from rendering an unbiased and fair financial service to my client?				
Is there any situation that exists that prevents me from acting in the interest of my client?				
<b>If the answer to any one of these questions is "yes" - The following two questions must also be answered:</b>				
<b>If the answer to any one of these questions is "yes" - An actual or potential conflict of interest has been identified (note that a conflict of interest is not limited to a financial or ownership interest)</b>				
Is the situation caused by an actual or potential relationship with a 3rd party? (see definition of 3rd party)				
Is the situation caused by an actual or potential financial or ownership interest? (see definition of financial and ownership interest)				

## Key Individuals

Instruction	Achieved	Partially achieved	Not yet achieved	Not applicable
<b>Throughout the process of rendering a financial service to a client, a representative must apply his or her mind to answering the following questions:</b>				
<b>If the answer to any one of these questions is "no" - No further action would be required</b>				
Is there any situation that exists that influences the objective performance of the representative's obligations to his or her client?				

Is there any situation that exists that prevents the representative from rendering an unbiased and fair financial service to his or her client?				
Is there any situation that exists that prevents my representative from acting in the interest of his or her client?				
<b>If the answer to any one of these questions is "yes" - The following two questions must also be answered: If the answer to any one of these questions is "yes" - An actual or potential conflict of interest has been identified (note that a conflict of interest is not limited to a financial or ownership interest)</b>				
Is the situation caused by an actual or potential relationship with a 3rd party? (see definition of 3rd party)				
Is the situation caused by an actual or potential financial or ownership interest of IUM"? (see definition of financial and ownership interest)				

### Guidance notes on objective performance, unbiased and fair and financial interest

The contextual definition of the terms "influences the objective performance" and "unbiased and fair financial services" are not to be found within legislation and its interpretive meaning must therefore be sourced from elsewhere. It is generally accepted 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 IUM's obligations therefore implies a situation where financial services are rendered without the influence of unrelated feelings or opinions. In the same vein, "unrelated feelings and opinions" denote separate, external persuasions or motivations where no causal link or nexus can be found between the particular feeling or opinion and the financial service that is rendered within the best interests of the client. Put differently, if an unrelated feeling or opinion of an individual, influences the performance of such said individual's obligations, it cannot be said to be an objective performance of that individual's obligation.

The word "bias" indicates an inclination or prejudice in favour of a particular person or viewpoint. Similarly, the word "fair" indicates a situation of just circumstances or treating people equally. Unbiased financial services therefore imply financial services that do not lend itself to a particular preference towards a person or viewpoint, if an accompanying, reasonable justification for such preference cannot be found. Consequently, all unbiased financial services must necessarily comprise services that are capable of being motivated by readily discernible, logical reasons and explanations. "Fair" financial services on the other hand imply a situation where the same conclusion or outcome is consistently reached given the same exact set of circumstances. In other words, financial services cannot be said to be fair if a pattern of favouritism begin to present itself vis-à-vis a particular person or service. Any unexpected inconsistencies towards a group of clients and/or a particular client must therefore again, have to be motivated by logic reasons and explanations.

Instruction	Achieved	Partially achieved	Not allowed	Not applicable
<b>IUM or its representatives may only receive or offer the following financial interest from or to a third party:</b>				
Commissions as authorised under the Short Term Insurance Act				
Fees as authorised under the Short Term Insurance Act if those fees are reasonably commensurate to a service being rendered				
Fees for the rendering of financial services in respect of which the abovementioned commissions and fees are not paid, provided that the client agreed to such fees in writing and may be stopped at the discretion of the client				
Fees or remuneration for the rendering of a service to a third party, which fees or remuneration are reasonably commensurate to the service being rendered				
An immaterial financial interest (i.e. a financial interest with a determinable monetary value, the aggregate of which does not exceed R1000 in any calendar year from the same third party in that calendar year received by – a provider who is a sole proprietor, or 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)				
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 provider or representative at the time of receipt thereof				
<b>IUM may not offer any financial interest to a representative of that provider for:</b>				
Giving preference to the quantity of business secured for the provider 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 a client				
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				

## Mechanisms for Identification

Instruction	Achieved	Partially achieved	Not yet achieved	Not applicable
<b>The mechanisms implemented to identify actual or potential conflicts of interests for IUM are:</b>				
The Key Individuals of IUM conducts annual reviews on all contracts held with 3rd parties and re-examines whether this relationship influences: 1. IUM's objective performance towards its clients. 2. IUM's ability to render fair and unbiased financial services towards its clients. 3. IUM's ability to act in the interest of the client. 4. IUM's objective performance towards clients. 5. IUM's ability to render fair and unbiased financial services towards its clients.				
Declarations are signed by all Key Individuals confirming the presence or absence of any actual or potential conflict of interest on an annual basis				
All gifts received from 3rd parties, with an estimated value of R50 or more, are recorded in IUM's gift register which is kept on IUM's electronic compliance file				
All employees must disclose in writing to the Key Individuals of IUM on an on-going basis, any conflicts of interest that they may become aware of				
All records associated with the identification of an actual or potential conflict of interests is kept on the compliance file which is available for inspection purposes				
<b>The mechanisms implemented to identify actual or potential conflicts of interests for Representatives are:</b>				
Declarations are signed by all Representatives confirming the presence or absence of any actual or potential conflict of interest on an annual basis				
All Representatives must disclose in writing to the Key Individuals of IUM on an on-going basis, any conflicts of interest that they may become aware of				

## Avoidance and Mitigation

In terms of Section 3A(2)(b)(i)(bb) of the General Code of Conduct, a conflict of interest management policy must provide measures for the avoidance of conflicts of interest, and where avoidance is not possible, the reasons therefore and the measures for the mitigation of such conflicts of interest.

Avoidance and Mitigation
<b>Once an actual or potential conflict of interest has been identified the following measures will be followed in order to determine whether the conflict of interest is avoidable:</b> <b>The Key Individuals of IUM will convene and review the actual or potential conflict of interest in an open and honest forum:</b>
All information surrounding the actual or potential conflict of interest must be disclosed to: 9. All interested parties. 10. IUM's Compliance Officer
<b>The following consequences must be considered during the review process:</b>
The consequences of both avoidance and unavailability as well as the subsequent negative impact it will have on: 1. Clients. 2. The integrity of the financial services industry. 3. IUM
The Key Individuals of IUM must apply its mind whether IUM can obtain a more advantageous transaction, contract or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest
If a more advantageous transaction, contract or other arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Key Individuals of IUM shall determine by a majority vote whether the transaction, contract or arrangement is in the best interest of IUM and any affected client/s and accordingly make its decision as to whether to enter into the transaction, contract or arrangement in conformity with such determination
<b>If the Key Individuals of IUM have determined that the actual or potential conflict of interest is avoidable, the following processes must be adhered to:</b>
The Key Individuals must approve, by a majority vote: 1. The actual or potential conflict of interest must be removed as soon as reasonably possible. 2. The removal of the underlying cause of the actual or potential conflict of interest
Any negative impact on clients owing to the removal of the actual or potential conflict of interest must be kept to a minimum

The reason(s) why the actual or potential conflict of interest was determined to be avoidable must be recorded.
All determinations and interventions as it pertain to the avoidance of the conflict of interest must be documented and kept on the compliance file
Similar situations that give rise to actual or potential conflicts of interests must be avoided in the future
<b>If the Key Individuals of IUM have determined that the actual or potential conflict of interest is unavoidable, the following mitigation processes must be adhered to:</b>
The Key Individuals of IUM will convene and review an appropriate mitigation process given the unavoidability of the particular set of circumstances
The reason(s) why the actual or potential conflict of interest is considered to be unavoidable must be recorded and kept on the compliance file
IUM's compliance officer must be made aware of the conflict's unavoidability as well as the reasons for such said unavoidability
<b>The mitigation process will include the adoption of the following measures:</b>
The actual or potential conflict of interest must remain only for as long as it is absolutely necessary given the unavoidability of the actual or potential conflict of interest
Alternative arrangements to a proposed transaction, contract or arrangement that is the subject of the conflict of interest must be investigated on a continuous basis
The rendering of financial services must at all times be conducted as to the best interest of the client (in as far as this is possible, given the unavoidability of the actual or potential conflict of interest)
All representatives must be made aware of the actual or potential conflict of interest, and the reasons for its unavoidability
Full disclosure of the actual or potential conflict of interest must be made to the client at the earliest reasonable opportunity.
Full disclosure of the actual or potential conflict of interest must be made to the Financial Service Board during IUM's annual compliance report

## Disclosure

In terms of Section 3A (2) (b) (i) (cc) of the General Code of Conduct, a conflict of interest management policy must provide measures for the disclosure of conflicts of interest.

IUM must make appropriate disclosures to third parties including clients, as part of its arrangement to manage conflicts of interest. 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. IUM is therefore committed to ensure that clients are adequately informed about any conflicts of interest that may affect the provision of financial services to them.

It is furthermore acknowledged that, whilst a clearly identified conflict of interest will not necessarily cause the provision of financial advice to a client to be significantly compromised, it should nonetheless be disclosed to the client. The client must be afforded the opportunity to decide for him/herself whether the conflict of interest is significant and to what extent he/she will rely on the advice or intermediary service.

<b>Disclosure</b>
<b>On the discovery and identification of a conflict of interest, and the subsequent determination of its unavoidability, the following disclosure processes will be implemented on behalf of IUM:</b>
Full disclosure of the actual or potential conflict of interest must be made to:
<ol style="list-style-type: none"> <li>All the Key Individuals of IUM and where such information is provided orally, IUM must confirm such information in writing within 30 days.</li> <li>All representatives of IUM.</li> <li>The Compliance Officer of IUM</li> </ol>
<b>On the discovery and identification of a conflict of interest, and the subsequent determination of its unavoidability, the following disclosure processes will be implemented on behalf of the client:</b>
Full disclosure of the actual or potential must be made to the client at the earliest reasonable opportunity.
<ol style="list-style-type: none"> <li>The disclosure must be made before or when the financial service is provided, but in any case at a time that allows the client a reasonable time to assess its effect.</li> <li>The disclosure must be formulated in such a way as to be considered prominent, specific and meaningful to the client.</li> <li>The disclosure must be made in such a way as to allow the client to make an informed decision as to whether to continue with the financial services.</li> <li>The disclosure must indicate the nature of the relationship or arrangement with a 3rd party that gives rise to the conflict of interest.</li> <li>The disclosure must indicate whether the conflict of interest is based on a financial and/or ownership interest.</li> <li>The disclosure must indicate any ownership interest held with a product supplier in accordance with section 4(1) (d) of the General Code of Conduct.</li> </ol>
Where the disclosure is provided orally, the disclosure must be confirmed in writing within 30 days of such said disclosure
The written disclosure must be communicated by hardcopy, telefax or any appropriate electronic medium that is accurately and readily reducible to written or printed form
The written confirmation of the disclosure must be provided by means of standard forms or format, in a clear and readable print size, spacing and format
The reasons for the conflict of interest's unavoidability must be made available to the client on request
The conflict of interest policy must be made available to the client on request
IUM's gift register must be made available to the client on request

## Facilitation of Compliance with the policy

In terms of Section 3A(2)(b)(i)(dd) of the General Code of Conduct a conflict of interest management policy must provide processes, procedures and internal controls to facilitate compliance with the policy. The processes associated with the implementation and continued compliance of the conflict of interest management policy must be performed by the Key Individuals of IUM as well as the appointed Compliance Officer.

<b>Facilitation of Compliance with the Policy</b>
The Key Individuals of IUM will ensure:
1. That the annexure section of this policy is completed, and the appointed Compliance Officer will confirm such completion as part of IUM's quarterly feedback report.
2. The annual review of all contracts held with 3rd parties, and the appointed Compliance Officer will confirm such review as part of IUM's feedback report.
3. That all declarations confirming the presence or absence of any actual or potential conflict of interests are signed on an annual basis, and the appointed Compliance Officer will confirm such declarations as part of IUM's quarterly feedback report.
4. That a list of all the parties in which IUM holds an ownership interest is attached hereto and updated annually. The appointed Compliance Officer will confirm such update as part of IUM's feedback report.
5. That a list of all third parties that holds an ownership interest in IUM is attached hereto and updated annually. The appointed Compliance Officer will confirm such update as part of IUM's feedback report.
6. That all gifts received from 3rd parties, with an estimated value of R50 or more are recorded in IUM's gift register. The appointed Compliance Officer will confirm that such register is in place as part of IUM's quarterly feedback report.
7. That all records associated with the identification of actual or potentials conflicts of interest are kept on the compliance file. The appointed Compliance Officer will confirm such records as part of IUM's quarterly feedback report.
8. That the proper disclosure requirements are communicated to the client. The appointed Compliance Officer will confirm such disclosures as part of IUM's quarterly feedback report.
<b>The policy will be:</b>
Overseen by the Key Individuals of IUM who carries the responsibility for the implementation, reviewing and updating of the policy's associated processes
Reviewed at least annually, and where necessary, updated to ensure that the arrangements remain adequate to identify, assess, evaluate and successfully control conflicts of interest
Regularly reviewed by the appointed Compliance Officer, and where necessary, updated to ensure that the arrangements remain adequate to identify, assess, evaluate and successfully control conflicts of interest
The Annexure section of this policy must be reviewed, updated and signed by the nominated Key Individual on an annual basis
The Annexure section of this policy must be reviewed, updated and signed by the appointed Compliance Officer on an annual basis

## Consequences of Non-Compliance

In terms of Section 3A(2)(b)(i)(ee) of the General Code of Conduct a conflict of interest management policy must provide for the consequences of non-compliance with the policy by IUM's employees and representatives. If there is reason to believe that an employee or a representative has failed to disclose actual or possible conflicts of interest, IUM's Key Individuals shall afford that person the opportunity to explain the alleged failure to disclose.

If after hearing the response of the employee or representative and making such further enquiries as may be warranted in the circumstances, and where the Key Individuals of IUM determines that the employee or representative has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## Basis of Representatives financial interest

In terms of Section 3A(2)(b)(ii) of the General Code of Conduct, a conflict of interest management policy must specify the type of and the basis on which a representative will qualify for a financial interest that the provider will offer a representative and motivate how that financial interest complies with section 3A(1)(b).

<b>IUM's representatives qualify for the following type(s) of financial interests</b>	
Commissions as authorised under the Short-term Insurance Act	Yes
Fees as authorised under the Short-term Insurance Act if those fees are reasonably commensurate to a service being rendered	Yes
Fees for the rendering of financial services in respect of which the abovementioned commissions and fees are not paid, provided that the client agreed to such fees in writing and may be stopped at the discretion of the client	Not applicable to UMA
Fees or remuneration for the rendering of a service to a third party, which fees or remuneration are reasonably commensurate to the service being rendered	Not applicable to UMA
An immaterial financial interest (i.e. a financial interest with a determinable monetary value, the aggregate of which does not exceed R1000 in any calendar year from the same third party in that calendar year received by – a provider who is a sole proprietor, or 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)	Yes
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 provider or representative at the time of receipt thereof	Not applicable to UMA

As Key Individual of IUM I, Antonio Iozzo confirm the financial interests as indicated above and acknowledge compliance with section 3A (1) (b) of the General Code of Conduct.

\_\_\_\_\_  
Key Individual Signature

\_\_\_\_\_  
Compliance Officer Signature

### 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 IUM’s associates. Refer back to the definition of an “associate” and complete the form below. The nominated Key Individual and appointed Compliance Officer must sign and date the annexure. Print additional copies of this page should the need arise.

Associates name	Type of relationship

As Key Individual of IUM I, Antonio Iozzo confirms the list of IUM’s associates as indicated above.

\_\_\_\_\_  
Key Individual Signature

\_\_\_\_\_  
Compliance Officer Signature

### Ownership and Shareholder Interest (FSP)

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 hold an ownership interest. Refer back to the definition of “third party” & “ownership interest” and complete the form below. The nominated Key Individual and appointed Compliance Officer must sign and date the annexure. Print additional copies of this page should the need arise.

Name of 3rd party in which IUM holds an ownership interest:	Nature and extent of ownership interest:

As Key Individual of IUM I, Antonio Iozzo confirms the list of names of all third parties in which IUM hold an ownership interest.

\_\_\_\_\_  
Key Individual Signature

\_\_\_\_\_  
Compliance Officer Signature

### Ownership Interest (3rd Parties)

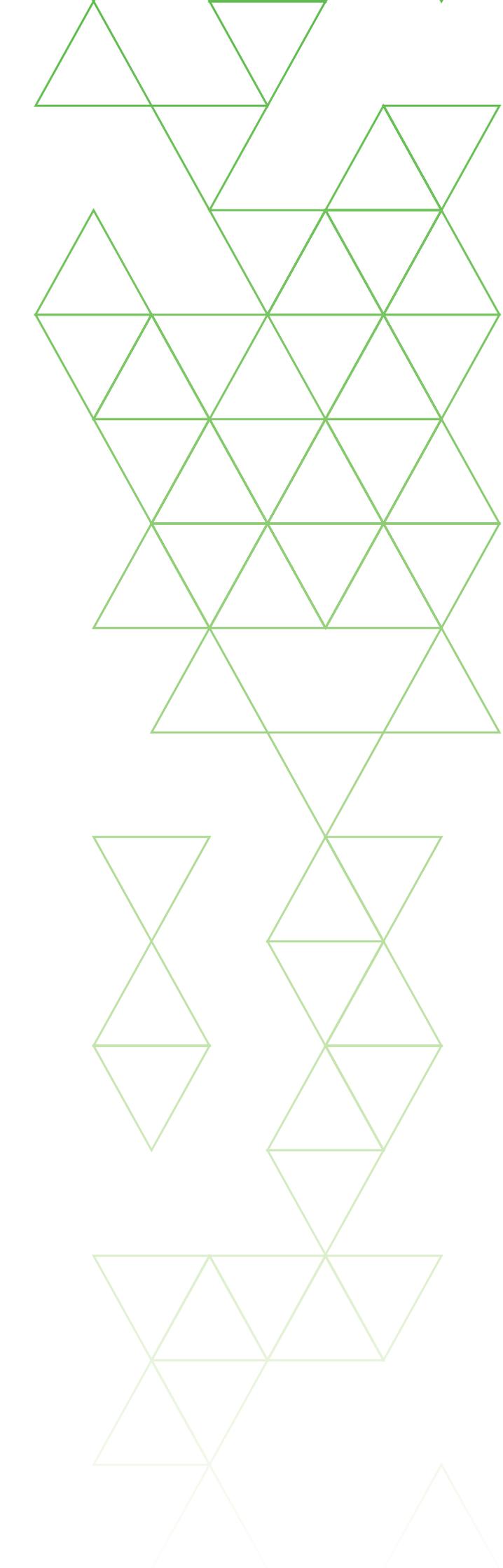
In terms of Section 3A(2)(b)(vii) of the General Code of Conduct, a conflict of interest management policy must include the names of any third parties that holds an ownership interest in the provider. Refer back to the definition of “third party” & “ownership interest” and complete the form below. The nominated Key Individual and appointed Compliance Officer must sign and date the annexure. Print additional copies of this page should the need arise.

Name of 3rd party in which IUM holds an ownership interest:	Nature and extent of ownership interest:

As Key Individual of IUM I, Antonio Iozzo confirms the list of names of all third parties that holds an ownership interest in IUM.

\_\_\_\_\_  
Key Individual Signature

\_\_\_\_\_  
Compliance Officer Signature



# CONTACT DETAILS

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