IFSA PRIVATE EQUITY

IFSA (PTY) LTD | FSP 43337

Conflict of Interest Management Policy and Procedure

Company registration number: 2000/005153/07. For enquiries relating to this policy, contact the Compliance Officer on 011 394 0260.

1. SCOPE

The General Code of Conduct for Authorised Financial Services Providers and Representatives under the Financial Advisory and Intermediary Services Act, 2002 (FAIS), requires IFSA (Pty) Ltd to maintain a Conflict of Interest Management Policy. This policy applies to IFSA, its representatives, employees, contractors, associates, service providers and other persons acting on behalf of the business.

2. PURPOSE

The purpose of this policy is to identify actual, potential and perceived conflicts of interest, to ensure those conflicts are managed appropriately and to prevent any conflict from impairing the objective, fair and diligent provision of financial services in clients' interests.

3. BACKGROUND AND DEFINITION

A conflict arises when the interests of IFSA or its representatives compete with, influence or may significantly prejudice the interests of clients. It may affect objective performance of obligations, prevent unbiased service or result in a real or perceived benefit to a party other than the client.

Conflicts may involve recommendations, non-cash incentives, ownership interests, directorships, supplier arrangements, referral relationships or a transaction that benefits IFSA or another party rather than best serving the client.

4. POLICY

IFSA is committed to avoiding conflicts of interest. Where avoidance is not possible, IFSA will mitigate the conflict and explain the nature and effect of the conflict to affected clients in accordance with applicable regulatory requirements.

4.1 ALLOWABLE FINANCIAL INTERESTS

Allowable financial interests may include fees provided for in applicable legislation, if reasonably commensurate with the service offered, and fees for rendering a financial service where specifically agreed to by the client in writing and capable of being discontinued at the client's discretion, where permitted by law.

The source policy describes promotional items and immaterial interests not exceeding R1,000 per representative or key individual in any given year, subject to the applicable FAIS rules. All such interests are subject to disclosure and recording in the appropriate gifts register. Applicable regulatory limits take precedence over any historic amount stated in the source policy.

Ownership interests and directorships must be identified, recorded in the conflicts register and disclosed to affected clients where required. Permitted training and general industry information, and third-party technological systems necessary to render financial services, are dealt with according to the applicable FAIS provisions.

4.2 DISALLOWED FINANCIAL INTERESTS

IFSA does not permit financial interests that reward the quantity of business to the exclusion of service quality, encourage preference for a particular product supplier or product contrary to a client's interests, or otherwise fall outside the financial interests permitted under the FAIS General Code of Conduct.

Cash, vouchers, gifts, hospitality, accommodation, sponsorship, travel and other benefits may constitute financial interests and must not be given or accepted unless the relevant law and IFSA controls permit the benefit.

5. PROCEDURE AND CONFLICT CONTROLS

IFSA maintains registers for gifts received and given and for ownership interests, directorships, and actual or potential conflicts. Representatives must disclose relevant interests and gifts promptly and assist with conflict assessments, mitigation measures and client disclosures.

5.1 REPORTING AND RECORDKEEPING

Each representative must disclose a material financial interest received or provided, and interests must be recorded in the relevant register. The source procedure provides for reporting within one week of receiving or giving a benefit where the reporting threshold is reached.

5.2 AUTHORISATION AND ASSESSMENT

Material financial interests require assessment and written authorisation by the relevant authorised officer before being accepted or offered. The assessment takes account of applicable law, the business justification, the giver's purpose, possible effects on clients and the likely financial impact on IFSA.

5.3 ANNUAL DISCLOSURES

Key Individuals and Representatives complete periodic conflict-of-interest questionnaires, and the conflicts register is reviewed and updated. Where an identified conflict can be avoided, it must be avoided. Where it is unavoidable, the business must implement appropriate measures and disclose the conflict to the affected client.

5.4 ONGOING REPORTING

Conflict situations are periodically reported to the compliance function, with further escalation as warranted by their nature and materiality.

6. CONSEQUENCES OF NON-ADHERENCE

Breach of this policy or its procedures may result in disciplinary or other corrective measures, as appropriate.

7. TRAINING AND AWARENESS

The policy is made available to staff and representatives, with relevant training and updates. Clients will be informed of its existence and may obtain a copy on request.

8. RECORDS AND ANNEXURES

IFSA maintains gifts registers for gifts received and given, a conflicts-of-interest register and a conflicts-of-interest questionnaire. These internal templates facilitate monitoring, recordkeeping and annual disclosures.

CONTACT AND ENQUIRIES

IFSA (Pty) Ltd | Company registration: 2000/005153/07 | Financial Services Provider (FSP) number: 43337. For further information, policy-related enquiries, or to contact the Compliance Officer, please call the IFSA office on 011 394 0260.