

## **CONFLICT MANAGEMENT POLICY OF INTEGRICALL (PTY) LTD** **(FSP NO: 33936)**

### **1. DEFINITIONS**

- 1.1. **“Conflict of interest”** means any situation in which a person has an actual or potential interest that may, in rendering a financial service to a client,
- a) Influence the objective performance of their obligations towards such client; or
  - b) Prevent a person from rendering an unbiased and fair financial service to that client, or from acting in the interests of that client, including but not limited to –
    - a financial interest
    - an ownership interest,
    - any relationship with a third party
- 1.2. **“Employee”**, for the purpose of this policy, will include:
- a) All directors and full-time employees of the **Integricall Pty) Ltd. (FSP No:33936)**
  - b) All temporary contracted employees
  - c) All employed or contracted representatives including independent financial advisors and tied agents.
- 1.3. **“Fair value”** means the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm’s length transaction (as set out in the reporting standards adopted in terms of the Companies Act (Act No. 61 of 1973).
- 1.4. **“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 accommodation associated with that training.

- 1.5. **“Financial Service Provider”** means any person, other than a representative, who as a regular feature of the business of such person –
- (a) Furnishes advice; or
  - (b) Furnishes advice and renders any intermediary service; or
  - (c) Renders an intermediary service.
- 1.6. **“Financial Service”** means any service contemplated in paragraph (a), (b) or (c) of the definition of “financial services provider”, including any category of such services.
- 1.7. **“Immaterial Financial Interest”** means any financial interest with a determinable monetary value, the aggregate of which does not exceed R 1 000 in any calendar year from the same third party in that calendar year received by –
- (a) A provider who is a sole proprietor; or
  - (b) A representative for that representative’s direct benefit
  - (c) A provider, who for its benefit or that of some or all its representatives, aggregates the immaterial financial interest paid to its representatives.
- 1.8. **“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 a 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
- 1.9. **“Representative”** means any person, including a person employed or mandated by such 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, but excludes a person rendering clerical, technical, administrative, legal, accounting, or other service in a subsidiary or subordinate capacity, which service –
- (a) does not require judgment on the part of the latter person; or
  - (b) does not lead a client to any specific transaction in respect of a financial product in response to general enquiries
- 1.10. **“Third Party”** means –
- (a) A product supplier
  - (b) Another provider
  - (c) An associate of a product supplier or a provider
  - (d) A distribution channel,
  - (e) 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

## 2. INTRODUCTION

The provider is committed to ensuring that all business is conducted in accordance with the standards of good corporate governance.

The way the provider conducts business is accordingly based on integrity and ethical and equitable behavior.

This Conflict-of-Interest Policy aims to emphasise the interests of all stakeholders by minimising and managing all actual or potential conflicts of interest.

## 3. OBJECTIVE

**Integricall Pty) Ltd. (FSP no:33936)** is an authorized financial services provider. Any financial services provider, such as, **Integricall Pty) Ltd.** 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:

- 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; and
- we have established appropriate structures and systems to manage this conflict; and
- we will maintain systems to prevent damage to our clients' interests through identified conflict.

## 4. MANAGING THE RISK OF CONFLICTS OF INTEREST DEVELOPING

Once a conflict of interest has been identified, it must be appropriately and adequately managed.

### 4.1. Identifying Conflicts of Interest

- 4.1.1. No person may avoid, limit or circumvent, or attempt to avoid, limit or circumvent compliance with the Conflict-of-Interest Policy via an associate or third party or an arrangement involving an associate or a third party.

4.1.2. **Integricall Pty) Ltd. (FSP no:33936)** and its employees (i.e., representatives) may only receive or offer the following financial interest from or to a third party. The financial interest includes but is not limited to:

- a) Commission authorised in terms of the Long-term Insurance Act (No. 52 of 1998). Commission is strictly monetary amounts paid to a FSP, designated as such and determined on a basis specified prior to payment;
- b) Fees authorised in terms of the Long-term Insurance Act if those fees are reasonably commensurate to a service being rendered
- c) Fees for the rendering of a financial service in respect of which commission or fees referred to in paragraph (a) or (b) above is not paid, if those fees –
  - are specifically agreed to by a client in writing; and
  - may be stopped at the discretion of the client.
- d) 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
- e) Subject to other legislation, an immaterial financial interest
- f) A financial interest not referred to in paragraphs (a) to (e) above, for which a consideration, fair value or remuneration that is reasonably commensurate to the value of the financial interest, is paid by **Integricall Pty) Ltd. (FSP no:33936)** or its representatives at the time of receipt thereof.

4.1.3 **Integricall Pty) Ltd. (FSP no:33936)** or its associates may not provide for the travel and accommodation associated with the training and may not offer the training to an exclusive group of FSPs only. Other forms of training not mentioned in (a) – (c) above, may be provided subject to a consideration or remuneration (based on fair value) being paid for the training so provided to FSPs (or their representatives) receiving the training.

4.1.4. **Integricall Pty) Ltd. (FSP no:33936)** shall **not** offer any financial interest to its representatives for:

- a) Giving preference to the quantity of business secured to the exclusion of the quality of the service rendered to clients; or
- b) Giving preference to a specific product supplier, where a representative may recommend more than one product supplier to a client; or
- c) 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.

## 4.2 Avoidance of Conflicts of Interest

4.2.1 Once an actual or potential conflict of interest has been identified, steps must be taken to (wherever possible) to avoid such a conflict. Should such avoidance not be possible, steps must be taken to mitigate such an actual or potential conflict of interest and must be disclosed to all impacted parties.