Momentum Investments (Pty) Ltd

Conflict of Interest Management Policy
Document Information
Policy level: Executive Committee approved
Applicable principal risk: Regulatory
Principal risk owner: Chief Executive Officer(s)
Effective date: 01 June 2012
Review date: 05 May 2017
Policy co-ordinator: Momentum Investments Regulatory Compliance Department
Approved by: Executive Committee of Momentum Investments (Pty) Ltd
Adopted by: Board of Directors
Approval date: TBD

Contact Information
Policy owner: Bernard Pieterse
Momentum Investments
Head: Compliance
Contact number: 012 684 4497
# Table of contents

<table>
<thead>
<tr>
<th>Number</th>
<th>Item</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Definitions</td>
<td>4</td>
</tr>
<tr>
<td>2</td>
<td>Introduction</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>What is a conflict of interest</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>Policy purpose</td>
<td>7</td>
</tr>
<tr>
<td>5</td>
<td>Policy scope</td>
<td>8</td>
</tr>
<tr>
<td>6</td>
<td>Availability</td>
<td>9</td>
</tr>
<tr>
<td>7</td>
<td>Policy governance</td>
<td>9</td>
</tr>
<tr>
<td>8</td>
<td>Implementation</td>
<td>9</td>
</tr>
<tr>
<td>9</td>
<td>Management of conflicts of interest</td>
<td>9</td>
</tr>
<tr>
<td>10</td>
<td>List of associates</td>
<td>12</td>
</tr>
<tr>
<td>11</td>
<td>Names of third parties in which the FSPs hold an ownership interest in</td>
<td>12</td>
</tr>
<tr>
<td>12</td>
<td>Names of third parties that hold an ownership interest in the FSPs</td>
<td>12</td>
</tr>
<tr>
<td>13</td>
<td>Awareness</td>
<td>12</td>
</tr>
<tr>
<td>14</td>
<td>Monitoring</td>
<td>12</td>
</tr>
<tr>
<td>15</td>
<td>Policy review</td>
<td>12</td>
</tr>
<tr>
<td>16</td>
<td>Reporting</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Annexure “A”, “B” and “C”</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Annexure “D”</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>Annexure “E”</td>
<td>17</td>
</tr>
</tbody>
</table>
1. Definitions

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 –

influence the objective performance of his/her/its obligations to that client; or

prevent a provider or representative 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.

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

training, that is not exclusively available to a selected group of providers or representatives, 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.

Immaterial Financial Interest means any financial interest with a determinable monetary value, the aggregate of which does not exceed R 1000 in any calendar year from the same third party and in that calendar year received by –

a provider who is a sole proprietor; or

a representative for that representative’s direct benefit;

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

means –

a product supplier;

another provider;

an associate of a product supplier or a provider;

a distribution channel; or

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.

**Ownership Interest**

means –

an 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

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

“The principal [in this case, the fund] bargains for the disinterested skill, diligence and zeal of the agent for his own exclusive benefit, confident he will act with a sole regard for the interests of the principal…He must, while holding the position of trust and confidence, prefer the interests of his principal even to his own in a case of conflict, and to his skill, diligence and zeal must be added the utmost good faith”

Mason J in his 1904 judgment in Transvaal Cold Storage versus Palmer

Momentum Asset Management (Pty) Limited, Momentum Alternative Investments (Pty) Ltd, Momentum Manager of Managers (Pty) Ltd, Momentum Investment Consulting (Pty) Ltd and Momentum Global Investment Management Ltd (together “the Company”) places a high priority on its clients’ interests. As conflicts of interest affecting clients could undermine the integrity and professionalism of its business, any conflict situations must be identified as early as possible. If conflict situations cannot be avoided, they must be mitigated and managed equitably and in the client’s interest. Detecting actual or potential conflicts of interest that could compromise the interests of its clients and managing and limiting the impact of conflicts of interest constitute an integral part of the Company’s duties and obligations and its on-going commitment to treat its clients fairly.

This conflict of interest management policy is applicable to the following authorised Financial Service Providers (“FSPs”):

1. Momentum Asset Management (Pty) Limited (FSP No. 623)
2. Momentum Alternative Investments (Pty) Limited (FSP No. 34758)
3. Momentum Manager of Managers (Pty) Limited (FSP No. 19840)
4. Momentum Investment Consulting (Pty) Limited (FSP No. 32726)
5. Momentum Global Investment Management Limited (FSP No. 13494)
6. Momentum Wealth (Pty) Ltd (FSP 657)
7. Momentum Collective Investments (RF) (Pty) Ltd
8. MET Collective Investments (RF) (Pty) Ltd

The Company provides for measures to identify, manage and avoid existing and potential conflicts of interest as set out in Board Notice 58 of 2010 of the Financial Advisory and Intermediary Services Act No. 37 of 2002 (“the FAIS Act”). Compliance requirements include the adoption, maintenance and implementation of a conflict of interest management policy.

3. What is a conflict of interest?

A conflict of interest exists when one party’s act, or omission to act, is beneficial to itself while simultaneously negatively impacting another. The negative impact can be either a monetary loss, less gain than should have occurred or the exposure to a risk that didn’t exist or is increased as a result of the act, or omission to act. A conflict of interest may occur in the provision of an investment service or an advisory service. A conflict of interest may be recognised (actually identified) or potential (conceivable).

The notion of conflict of interest encompasses a range of very diverse factors such as:

- rules regarding personal account trading;
- professional ethics of employees;
- the use of sensitive or privileged information, insider trading, and professional secrecy;
- respect for clients’ interests; and
- respect for professional obligations in relation to the financial market.

Conflict of interest situations that could prejudice a client may take a variety of forms, irrespective of whether or not the actions or the motivations of the Company or employees involved are intentional. It is...
worthwhile to identify specific factors which may indicate the occurrence of a conflict of interest in respect of the Company:

- The Company, an associate, department or an employee will realise a financial gain or avoid a potential loss at the client’s expense.
- The interests of the Company, an associate, a department or an employee may be different to that of the client’s.
- The Company, an associate or an employee exercises the same professional activity as the client.
- The Company, an associate, a department or an employee will gain an advantage (financial or in kind) from a third party in the execution of the service conducted on behalf of the client.
- The Company may cast proxy votes consistent with a client’s investment strategies which may conflict with the investment strategies of other clients, and consequently proxy votes may differ between clients.
- A Company employee may from time-to-time serve as a director for a public or private company.
- Company employees may own shares in companies in their personal capacity. Those shares may also be held in client portfolios.
- During the course of engagement with company management, the Company may inadvertently become ‘insiders’ or privy to material non-public or price sensitive information.
- The Company, in using its discretion to render financial services to clients, may choose to invest in group or associated companies.
- The existence of a financial or other incentive that favours the interests of one client over that of another.
- Other potential issues involve commission or fee sharing arrangements and broker allocation. Brokerage, paid by the client, is often bundled and includes macro and micro research, as well as trading execution services. Such services are delivered in a number of ways to the asset manager in the ultimate service of the client. The asset manager must ensure that these services are clearly research and execution services and don’t unduly influence the manager’s broker selection processes.

4. Policy purpose

The purpose of this policy is to provide a framework with regards to the avoidance and management of conflicts of interest in the Company in order to:

- ensure compliance with the FAIS Act;
- avoid legal liability, penalties, fines and reputational risk arising from any conflict of interest; and
- avoid any situation in which the Company has an actual or potential interest that may, while rendering a financial service to a client –
  a) influence the objective performance of its obligations to that client; or
  b) prevent it from rendering an unbiased and fair financial service to that client, or from acting in the best interests of that client,
including, but not limited to –

- a financial interest,
- an ownership interest, or
- any relationship with a third party.

5. Policy scope

This policy applies to the Company as well as all its employees, contractors, temporary staff and executedirectors.

In addition, the Company may not offer a financial interest to its own representatives -

- based on quantity of business only – qualitative measures must also be taken into account; or
- for giving preference to a specific product supplier, where a representative may recommend more than one product supplier to a client; or
- 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.

This policy also applies to the Company and its relationships with a third party. “Third party” refers to, inter alia, stockbrokers, institutional clients that are themselves FSPs, consultants, brokers, multi-managers and products suppliers.

The Company and/or its representatives may only receive or offer the following financial interests from or to a third party:


- Commission authorised under the Medical Schemes Act No. 131 of 1998.

- Fees authorised under the Long-term Insurance Act No. 52 of 1998, the Short-term Insurance Act No. 131 of 1998 or the Medical Schemes Act No. 131 of 1998, if those fees are reasonably commensurate to a service being rendered.

- Fees for the rendering of a financial service in respect of which commission or fees referred to above is not paid, if those fees –
  
a) are specifically agreed to by a client in writing; and
  
b) may be stopped at the discretion of that 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.

- 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 that FSP or representative at the time of receipt thereof.
6. Availability
This policy is available to the public on the Momentum Investments website (www.momentuminv.co.za), or as a hard copy, on request, from the relevant FSP.

7. Policy governance

Drafting and amendments
Momentum Investments Legal and Regulatory Compliance Department will co-ordinate the drafting of and amendments to this policy.

Ownership
Ownership of this policy is vested in the Company’s Executive.

Approval
The policy is approved by the Executive Committee(s) and Board(s).

8. Implementation
The Executive Committee(s) are responsible for the implementation of the policy in their respective businesses.

9. Management of conflicts of interest
The Company will always attempt as far as possible to manage any identified conflict of interest by imposing actions designed to mitigate the risk of any of its clients receiving unfair treatment. These policies of mitigation will not only consider the treatment of client interests in relation to the interests of the Company and its employees, but also treatment between clients.

Mechanisms for the identification of conflict of interest
The Company has implemented mechanisms for the identification of conflicts of interest. These include –

i. Internal guidance to employees and training on conflicts of interest – the Company expects employees to act independently in the face of an identified conflict of interest that may arise between the Company and third parties or between the Company and its clients and/or between clients. This requires that the employees:
   - be competent to identify conflicts that may arise in the conduct of their normal work responsibilities;
   - desist from treating a client in a manner that unfairly favours or prejudices that client based on specific information held about the Company or another client; and
   - Promptly notifies Regulatory Compliance where there is any uncertainty as to the existence of a perceived conflict or as to how to deal with a conflict. Regulatory Compliance will give the employee the necessary guidance thereon.

ii. Record keeping and employee obligation to report conflicts arising – the Company requires all employees to report identified conflicts of interest to Regulatory Compliance. Employees are required to notify Regulatory Compliance if they suspect a situation giving rise to a potential conflict of interest. Regulatory Compliance will give due consideration to the circumstances on a case by case basis, before determining if it is in fact a conflict of interest and how best to manage it. Regulatory Compliance will seek to promptly respond to the employee from whom the
notification originated. Occurrences recognised by Regulatory Compliance to represent conflicts of interest over and above those stated herein will immediately be reported to the Executive.

iii. The adoption of policies and procedures to manage conflicts of interest e.g. a “whistle-blowing” policy.

iv. Employees are required to disclose the following to the Company annually:

- Ownership interests held e.g. any outside employment or other interests for which remuneration is received as well as any directorships held. The aforesaid must be disclosed and pre-approved by the employee’s line manager and Regulatory Compliance. Disclosure of shares held in companies (both locally and internationally) is also required of employees;

- Financial interests; and

- Disclosure of ownership and financial interests is also required at every Board meeting, Executive Committee meeting and investment team meetings.

The executive of each FSP is responsible, together with Regulatory Compliance, for determining which conflicts are likely to result in a material risk of damage or detriment to a client’s interests.

Apart from the Company managing conflicts of interest between itself and its clients, the Company will as soon as is reasonably possible, disclose the conflict to one or more clients in circumstances where this is merited.

**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**

i. Chinese walls are in place for regulating the information flow between and within business areas. (Chinese walls are artificial barriers to the flow of information between different functional areas within companies or groups of companies).

ii. Segregation of duties – the Company has established physical and electronic information barriers which are designed to prevent the exchange and misuse of material, non-public price sensitive information obtained by investment professionals. For example: relevant securities are embargoed and are subject to Compliance monitoring where the Company or any of its employees receives inside information.

In addition, if a business with two functions within the Company would lead to a conflict of interest, the Company may separate the functions into two separately managed businesses or ensure that they are managed by different senior employees. The Company maintains sensible segregation of duties to avoid risks inherent in trading activities based on the size and nature of the Company’s activities. Where the same employees do carry out more than one key function within the trading area (e.g. execution, reconciliation and settlement), additional controls are instituted that are considered adequate for the size of the Company’s operations. Further, employees employed in regulatory oversight and review roles have no operational responsibilities.

iii. Training of employees on conflicts of interest, legislation and company policies and procedures. Most of these policies and procedures form part of employees’ terms and conditions of employment and can be found in the Company’s Code of Conduct. The Code of Conduct forbids conflicts of interest. The Code of Conduct is subject to the Company’s usual monitoring and review processes.

iv. To prevent conflicts of interest arising from the use of information, and market abuse generally, personal account trading is not permitted except in limited circumstances. A quarterly review of
personal account trading is conducted by Regulatory Compliance in conjunction with the JSE Limited.

v. The giving and receiving of a financial interest has the potential to create conflicts of interest. Employees may not solicit or provide anything of value directly or indirectly to other FSPs or third parties (except under limited circumstances), which would impair the Company’s duty to act in the best interests of clients. Accordingly, no financial interest in excess of R 1000 may be offered or accepted.

vi. Under no circumstances may employees accept cash from or offer cash to clients, other FSPs or third parties.

vii. Rules on confidentiality.

viii. Independent oversight of relevant employees whose principle functions involve activities that might give rise to a conflict of interest.

ix. Annual employee acknowledgement of conflict of interest management policy.

x. Declining to act – in cases where the Company considers that it has encountered a conflict of interest (in relation to a new client, proposed mandate, client request or other circumstance) that it is unable to mitigate or manage without risk to one or more clients, the Executive, together with the Head of Legal and Compliance, will notify the client in writing that it is unable to provide the requested services to a client on suitable grounds appropriate to the circumstances.

xi. Disclosure – conflicts of interest that are identified in the future will be included within appropriate mechanisms or systems in order to manage those conflicts. Where the Company considers that there are no other means of managing the conflict or where the measures in place do not sufficiently protect the client’s interests, the specific conflict will be disclosed to enable the client to make an informed decision as to whether or not to continue with the Company’s service in that particular situation.

Measures for the disclosure of conflicts of interest

- Every employee is required annually to sign the Company’s personal account trading policy which also calls for certain disclosures to be made. See above.

- Key individuals and representatives are required to sign an annual declaration stating that he/she is fit and proper to act in a FAIS role and is required to disclose whether or not he/she is currently conflicted or has been in a conflict situation and what measures were taken to avoid or mitigate the conflict of interest.

- All employees are required to maintain a register recording his/her ownership interests and financial interests. Pre-approval is required from an employee’s line manager and from Regulatory Compliance to ensure that a financial interest received or offered complies with the Company’s rules and that the correct procedures have been followed.

- Representatives must disclose a conflict of interest to the client.

Processes, procedures and internal controls to facilitate compliance with the policy

Please refer to the above. Also see Annexure ‘D’.

Consequences of non-compliance with the policy

A full investigation, taking into account relevant labour laws, into allegations of non-compliance with the policy will be conducted by the Company which could result in disciplinary action being taken against an employee(s).
Furthermore, after proper investigation into any alleged misconduct, key individuals and representatives may be disbarred if found guilty of misconduct. Non-compliance will be reported to the Financial Services Board and clients.

**When will a representative of the FSPs mentioned in clause 2 above qualify for a financial interest for a financial product?**

The company does not incentivise employees based on quantity of business. It does not give preference to a specific product supplier or to a specific product of a product supplier.

**List of Associates**

FSPs and their representatives may not avoid, limit or circumvent or attempt to avoid, limit or circumvent compliance with Board Notice 58 of 2010 through an associate or an arrangement involving an associate.

Please see Annexure “A” for a list of associates as defined in Board Notice 58 of 2010.

10. **Names of third parties in which the FSPs set out in Clause 2 above hold an ownership interest in**

   Please see attached Annexure “B”.

11. **Names of third parties that hold an ownership Interest in the FSPs set out in Clause 2 above**

   Please see attached Annexure “C”.

12. **Awareness**

   FSPs must ensure that their employees, representatives and associates are aware of the contents of this policy. Accordingly, the Company has provided awareness training to all its employees. Training on conflicts of interest will be provided annually.

13. **Monitoring**

   Compliance officers have been mandated by the Executive of the Company to monitor compliance with this policy.

14. **Policy review**

   This policy will be reviewed annually by the Company’s Executive Committee(s). Momentum Investments legal and Regulatory Compliance department will request information from the company, collate the information and draft the requested amendments for approval by the relevant Executive Committee(s).

15. **Reporting**

   The compliance officers are responsible for reporting on the conflict of interest management policy as required by the Regulator from time-to-time. The report will refer to the implementation, monitoring and compliance with and the accessibility of this policy.
Annexure “A”, “B” and “C”

Annexures A, B and C are available on request from the Regulatory Compliance department.

Annexure “B”

Third parties in which (name of FSP) hold an ownership interest in
Will be specific to each FSP’s COI policy

Third parties that hold an ownership interest in (name of FSP)
Will be specific to each FSP’s COI policy

Rules for employees

This document provides guidance to all employees in respect of conflicts of interest and is available on the g:drive.

Employees are required to act according to the highest ethical standards and practice, and must seek to minimise the risk of conflicts of interest with clients, other FSPs and third parties, the misuse of confidential information or any involvement in insider trading, market abuse or interception of corporate opportunities.

It is not possible to enumerate all situations which could give rise to a conflict of interest. A common sense approach must be adopted. The facts of each situation will determine whether the interest in question is such as to bring it within the ambit of an actual or potential conflict of interest. There is no substitute for sound judgment based upon the particular facts involved in each case. Immaterial financial interests and ownership interests must be disclosed to and approved by the employee’s line manager and Regulatory Compliance and must be recorded in the relevant registers.

No employee may avoid, limit, circumvent or attempt to avoid the conflict of interest management policy or the Company rules. Failure to adhere to these rules will lead to disciplinary action being taken against the employee by the Company.

Receiving or offering financial interests which do not require disclosure and approval

The following expenditure is not included in the immaterial financial interest R1 000 limit and does therefore not have to be disclosed and recorded in the immaterial financial interest register:

i. Training:
   a. Training, that is not exclusively available to a select group of FSPs or representatives, on—
      i. products and legal matters relating to those products;
      ii. general financial and industry information; and
      iii. specialised technological systems of a third party necessary for the rendering of a financial service.
   b. Drinks and meals provided during the training session(s) are also excluded provided that same are not excessive in nature.
   c. Note that travel, accommodation, gifts and entertainment associated with the
aforementioned training does not form part of the training exclusion and is subject to the R1 000 immaterial financial interest limit.

d. Road shows, industry conferences and product updates (including standard meals and drinks) - provided they are educational, market / product related. However, gifts, entertainment, travelling and accommodation associated with the road shows and conferences are subject to the R1000 immaterial financial interest limit.

e. Conference sponsorships - provided that no drinks, meals, entertainment or gifts are provided.

ii. Breakfasts, business lunches and the like:

a. Breakfasts and lunches that have been arranged in order to build relationships or discuss business matters like investment products or the financial market may be excluded from the R 1000 immaterial financial interest. However, employees should use sound judgment and integrity, taking into account the spirit of the legislation, when accepting or offering a breakfast / lunch to another FSP, client, third party or any other person. Expenditure should not be excessive and should not, for example, include expensive bottles of wine or be held at an expensive venue.

b. Personal breakfasts / lunches and the like do not form part of the R 1000 immaterial financial interest.

iii. Where the FSP or employee pays for the financial interest, there is no prohibition.

Financial interests (offered or received) that do require disclosure and approval and to which the immaterial financial interest limit will apply

i. Training

Travel, accommodation, gifts and entertainment associated with that training will be subject to the R1 000 immaterial financial interest limit.

Training that is exclusively

ii. Events

Events, for example golf days, will be subject to the R1 000 immaterial financial interest limit per representatives or FSP as the case may be.

iii. Entertainment

Tickets to sporting events, shows, concerts and other similar entertainment will be subject to the R1 000 immaterial financial interest limit.

iv. Gifts

a. Gifts received and offered will subject to the R1 000 immaterial financial interest limit.

b. Gifts exceeding the limit must be returned, neither may they be offered.

c. Gifts that cannot be returned must be donated to charity.

Financial interests that may not be offered or accepted

a. Cash irrespective of the amount involved.

b. A financial interest exceeding R1 000 or a financial interest which will cause the R1 000 limit in respect of a representative or third party to be exceeded. No “top up” is allowed.
Annexure “E”

Procedure document and immaterial financial interests register
Accepting of immaterial financial interests from third parties

The employee must:

1. Obtain the Rand value or where this is not possible, an approximate Rand value, of the financial interest from the third party.

2. Access the Immaterial Financial Interests Register Template by logging onto g:drive/everyone/legal & compliance/conflicts of interest.

3. Save the Immaterial Financial Interests Register Template as a new file (spreadsheet) in the employee’s own name.

4. Complete the electronic spreadsheet by inserting the relevant information.

5. Print the electronic spreadsheet out and attach the invitation received from the third party as well as proof of the Rand value of the financial interest.

6. Line manager must approve or decline the financial interest by signing the hard copy spreadsheet where indicated.

7. If the line manager declines, he/she must record the reason therefore on the employee’s electronic spreadsheet.

8. If approved, bring the hard copy spreadsheet to Compliance for approval.

9. If Compliance declines, Compliance must record the reason therefore on the employee’s electronic spreadsheet.

10. If approved by Compliance, Compliance will sign where indicated and provide the employee with a copy of the hard copy spreadsheet for the employee’s records and to enable him/her to update his/her electronic spreadsheet.

11. Compliance will file the original hard copy spreadsheet for record keeping and monitoring purposes.

12. The employee may now formally accept the financial interest from the third party.

13. The employee is required to monitor limits and maintain his/her own electronic spreadsheet.

14. Compliance will monitor the above on an ad hoc basis.

15. Non-compliance will be reported to the Executive.
Offering of immaterial financial interests to third parties
Financial interests in excess of R1000 may not be offered.

The Employee must:

1. Access the Immaterial Financial Interests Register Template by logging onto g: drive/everyone/legal & compliance/conflicts of interest.

2. Save the Immaterial Financial Interests Register Template as a new file (spreadsheet) in the applicable third party’s name (i.e. the person / entity the employee wants to give the financial interest to).

3. Complete the electronic spreadsheet by inserting the relevant information.

4. Print the electronic spreadsheet out and attach proof of the Rand value of the financial interest.

5. The employee’s line manager must approve or decline the financial interest by signing the hard copy spreadsheet where indicated.

6. If the line manager declines, he/she must record the reason therefore on the electronic spreadsheet.

7. If approved, bring the hard copy spreadsheet to Compliance for approval.

8. If Compliance declines, Compliance must record the reason therefore on the electronic spreadsheet.

9. If approved by Compliance, Compliance will sign where indicated and provide the employee with a copy of the hard copy spreadsheet for his/her records and to enable the employee to update the electronic spreadsheet.

10. Compliance will file the original hard copy spreadsheet for record keeping and monitoring purposes.

11. The employee may now formally offer the financial interest to the third party.

12. The employee is required to monitor limits and maintain the electronic spreadsheet.

13. Compliance will monitor the above on an adhoc basis.

14. Non-compliance will be reported to the Executive.

Offering of financial interests to clients, entities and other persons who do not meet the definition of ‘third party’

1. There is no limit on offering financial interests to clients who are not defined as being ‘third parties’ e.g. most retirement funds.
2. The general principle of this policy must be adhered to though i.e. the financial interest offered to these clients may not be excessive.

3. No cash may be offered under any circumstances.

4. The process will be managed by the Institutional Business Team. Prior approval must be obtained from the Chief Operating Officer (currently Gert Vorster).

5. Client spend in respect of these clients must be recorded on Salesforce.

6. Compliance will audit Salesforce and the Finance Department’s records in respect of client entertainment on a quarterly basis. Excessive expenditure will be reported to the Executive.