

1 OBJECTIVE

This standard is aimed at ensuring that financial services providers (FSP's) in Sasfin Wealth (Pty) Limited avoid conflicts of interest with, inter alia, third parties (which includes a product supplier, another financial services provider, a distribution channel, or any person who provides a financial interest to Sasfin Wealth FSP's or its representatives and/or clients as defined by the Financial Advisory and Intermediary Services Act (FAIS Act), 37 of 2002 and regulated by the Financial Sector Conduct Authority (FSCA).

This standard governs conflicts of interest, gifts, financial interests and sign-on bonuses as per the application of FAIS. This standard must be read in conjunction with the Code of Ethics for Sasfin Holdings Limited

2 SCOPE

This standard applies to all representatives and key individuals defined under FAIS for the following FSP's, collectively referred to as "Sasfin Wealth":

NAME	FSP NUMBER
Sasfin Financial Advisory Services	5711
Sasfin Asset Managers	21664
Sasfin Wealth Investment Platform	45334

3 GLOSSARY

Conflict of interest	Includes any situation in which Sasfin Wealth, financial services providers, and FAIS employees, have an actual or potential interest that may influence the relationship with a client and/or product/service provider. A conflict of interest may arise where a financial interest, an ownership interest or any relationship with a third party affects the objectivity of the service provider
-----------------------------	--

Code of Conduct	FAIS General Code of Conduct for authorized FSP's and their representatives/key individuals
------------------------	---

Financial interest	Includes any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, other incentive, or valuable consideration.
---------------------------	--

Immaterial financial interest	Means any financial interest received from a third party of a readily determinable monetary value that, when combined or aggregated, is not higher than R 1000 per calendar year from that third party.
--------------------------------------	---

Ownership interest	Means any equity or proprietary interest of the financial services providers for which fair value was paid by the owner. This excludes equity or an ownership interest held at an approved nominee on behalf of another person at the time that it was bought, which includes any dividend, profit share or similar benefit derived from that equity or ownership interest. This excludes ownership interests of FAIS affected employees.
---------------------------	---

Sign-on bonus	Financial interest offered or received directly or indirectly, upfront or deferred, and with or without conditions
----------------------	--

4 DISCLOSURE

Where Sasfin Wealth is unable to avoid a conflict of interest, it must mitigate the conflict of interest.

Such conflicts are to be disclosed to affected client/s in writing.

The disclosure must set out and describe:

- the facts and circumstances giving rise to the conflict of interest;
- measures taken to avoid or mitigate the conflict of interest;
- any ownership interest or financial interest that Sasfin Wealth could become eligible for;
- the nature of a relationship or arrangement with a third party that gives rise to a conflict of interest, so that the client understands the exact nature of the conflict of interest; and
- the contents of the Code of Ethics and this standard as well as the location of this standard, which must be publicly accessible.

5 SIGN ON BONUSES

Effective 4 December 2014, the FSCA prohibits a Category I FSP that is authorised to give advice from receiving a sign-on bonus from any person, and also prohibits any person from offering or providing a sign-on bonus as an incentive to become a category I provider to give advice. The exception to the rule is for a new entrant, who is allowed to receive a sign-on bonus.

6 FINANCIAL INTERESTS

Where the product supplier and provider are separate entities, Sasfin Wealth may receive or offer the following financial interests only:

- Commission and fees for financial services authorised under the:
 - *Long-term Insurance Act, 52 of 1998;*
 - *Short-term Insurance Act, 53 of 1998;* and
 - *Medical Schemes Act, 131 of 1995*
- Fees that are not covered by the provider under the Acts mentioned above if the client has agreed to them in writing. The fee agreement must show the amount, frequency, payment method and details of services provided. Clients may instruct Sasfin Wealth to discontinue these fees at any point deemed necessary
- Fees or remuneration for the rendering of a service to a third party that are or is commensurate with the service being rendered, considering the skills and competencies required.
- An immaterial financial interest.
- A financial interest that is not referred to in the above for which a commensurate consideration, fair value or remuneration is paid by the same financial services provider (FSP) on behalf of which the representatives and key individuals provide financial services.

All fees, commission, and remuneration that Sasfin Wealth receives or pays must be recorded and audited in line with the prescribed procedure.

If the financial interests are paid to representatives in the same entity, management's determination of the financial interests must consider the following:

- Minimum service-level standards.
- Fair outcomes for clients.
- Level of representatives' compliance with the FAIS Act.

All financial interests received from FSP's outside of Sasfin Wealth or from independent FSP's within the entity, must be declared to management and the appointed FAIS Compliance Officer.

7 PROHIBITION ON FINANCIAL INTERESTS

Sasfin Wealth may not offer financial interests to its FAIS affected employees or associates for giving preference to:

- the quantity of business secured without due regard to the delivery of fair outcomes for clients;
- a product supplier where a FAIS affected employee may recommend more than one product supplier to a client; or
- a specific product of a product supplier, where a FAIS affected employee may recommend more than one product of that supplier to a client.

Sasfin Wealth may not receive financial interests or pay its representatives in the following circumstances:

- provision of financial services where remuneration occurs more than once
- an actual or perceived conflicts of interest between the client and the representative have not been mitigated; and/or
- the financial interest hinders delivery of fair outcomes.

8 ROLES AND RESPONSIBILITIES

WEALTH COMPLIANCE

- review and maintenance of this standard;
- monitoring the adequacy and effectiveness of controls that business has implemented to ensure compliance with this standard;
- monitoring declarations of conflicts and reporting the outcome at the relevant governance committees, where applicable;
- reporting any non-compliance with the standard; and
- making recommendations for the improvement of processes, procedures and controls for the efficient management of business in compliance with this standard and the FAIS Act.

BUSINESS UNIT HEADS

- establishing and implementing processes, procedures and controls to ensure compliance with this standard; and
- ensuring employees and third parties are aware of the conflicts of interests stance taken in relevant functions.

KEY INDIVIDUALS

- review of standards
- monitoring client engagements performed by representatives and those persons under supervision to ensure compliance with the standard; and
- reporting any instances of non-compliance to management and the governance committee/s and compliance officers.

9 BREACH

Non-compliance with this standard may be considered misconduct and employees may face disciplinary action that could lead to dismissal and/or criminal prosecution.

