



Conflicts of Interest Management Manual for Altrisk (Pty) Ltd (“Altrisk”)



THE PURPOSE OF THIS POLICY

Altrisk provides intermediary services as defined in the FAIS Act and is a licenced Financial Service Provider. Altrisk is committed to providing services to policyholders that are unbiased, fair and free of inappropriate influence. By conducting business this way, Altrisk will build a sustainable business and comply with the requirements of conflicts of interest legislation under the FAIS Act.

THE SCOPE OF THIS POLICY

This policy applies to management and staff of Altrisk (Pty) Ltd and to the management and staff of its subsidiaries and franchises that conduct their business under the authority of the FSP licence of Altrisk (Pty) Ltd. As a result of the nature of the relationship between Hollard Life and Altrisk any transactions conducted on behalf of Hollard Life by Altrisk will be subject to Hollard's conflict of Interest management policy where relevant

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, -
(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 client, or from acting in the best interests of that client,

Including, but not limited to -

- (i) a financial interest;
- (ii) an ownership interest;
- (iii) 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 -

- (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;

“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;

“third party” means a product supplier, another provider, an associate of a product supplier or a provider, a distribution channel and any other person who in terms of an agreement provides a financial interest to a provider or its representatives.



THE MANAGEMENT OF CONFLICTS OF INTEREST

Mechanisms for the identification of conflicts of interest

Before Altrisk concludes a new business relationship it will consider whether the proposed relationship will pose any potential conflict of interest. It will be the responsibility of the member of the Exco team entering into the relationship on behalf of Altrisk to ensure that this identification of potential conflict of interest is done before concluding any agreements.

Where a potential conflict of interest is identified, the Exco member will record the relationship on a register with the appropriate supporting information.

The register and other existing business arrangements will be reviewed by the Exco team at least annually to consider whether the initial identification of potential conflict of interest remains relevant in the light of any changes or omissions.

Staff and management will be encouraged on a regular basis to consider relationships in which they are involved, which have the potential to result in a conflict of interest.

Measures for the avoidance and mitigation of identified conflicts of interest

Whenever any potential conflict of interest is identified, the Exco member responsible for the relationship shall consider whether any practical means exist for avoiding such conflict of interest. Where this is not practical, the Exco member will consult with the Exco member responsible for compliance to devise appropriate and adequate measures to mitigate and manage the potential impacts and implications of the identified conflict of interest.

The resulting mitigating measures will be documented and communicated to all staff involved in managing the relationship to ensure that the risk of the identified conflict of interest is appropriately managed.

Measures for the disclosure of conflicts of interest

Wherever potential conflict of interest is identified, the Exco member responsible will ensure that appropriate communication regarding the following aspects will be included in the disclosure information and documentation provided to customers purchasing products potentially affected by the identified conflict of interest:

- The existence of the conflict of interest;
- It's nature and impact; and
- The measures taken to mitigate the conflict of interest.

Processes, procedures and internal controls to facilitate compliance

Exco members will be required to ensure that the policy is complied with in their division and will on an annual basis confirm to the Exco member responsible for compliance that they have met their obligations under this policy.

Training for all affected staff will be provided to ensure that they understand their responsibilities under this policy.

The Exco member responsible for compliance will monitor compliance with the policy and will perform the necessary reviews to ensure that appropriate procedures and processes are in place and effective to comply with the policy.

The Exco team will annually conduct a review of this policy and ensure that it remains relevant and appropriate to meet the statutory requirements.



FINANCIAL INTERESTS OFFERED TO THIRD PARTIES

Altrisk may only offer the following financial interests to third parties;

- fees or remuneration for the rendering of a service by the third party, which fees or remuneration are reasonably in line with the service being rendered;
- any immaterial financial interest; and
- any other financial interest, for which a consideration, fair value or remuneration that is reasonably in line with the value of the financial interest, is paid by that provider or representative at the time of receipt thereof.

Any immaterial financial interest arising in favour of third party shall be recorded centrally by the member of management or staff providing the interest for monitoring purposes. For practical purposes expenses incurred in hosting a third party within the Altrisk premises shall not be recorded.

Consequence of non-compliance with this policy

Failure to comply with the provisions of this policy by any member of management or staff shall constitute serious misconduct and will result in disciplinary action being initiated against them. Given the seriousness of the misconduct, if found guilty the disciplinary action may result in dismissal of the individual concerned.

List of Altrisk Associates

Altrisk owns 100% of the ordinary shares of Altrisk Distribution (Pty) Ltd
Altrisk's ownership interest does not represent any conflict of interest

Third parties in whom Altrisk holds an ownership interest

Altrisk owns 25% of the ordinary shares of IFANet
Altrisk's ownership interest does not represent any conflict of interest

Third parties who hold an ownership interest in Altrisk

Hollard Life owns 53.5% of the ordinary shares of Altrisk
Hollard Life's ownership interest does not represent any conflict of interest

This policy has been formally adopted by the Board of Directors of Altrisk (Pty) (Ltd)