



Conflict of Interest Management Policy

For

Alba Risk Partners (Pty) Ltd

FSP53987

Co Reg 2023/238925/07

Hereinafter referred to as "The Company"

POLICY STATEMENT

The organisation's governing body, its employees, volunteers, contractors, suppliers, and any other persons acting on behalf of the organisation are required to familiarise themselves with the policy's requirements and undertake to comply with the stated processes and procedures.

PURPOSE

The objective of this policy is to ensure that employees of the company always conduct themselves in a fair, ethical, equitable and transparent manner in the best interest of the company and in accordance with section 3A (2) of the General Code of Conduct (GCoC") of the Financial Advisory and Intermediaries Act ("FAIS Act") no 37 of 2002, and any and all amendments to these pieces of legislation.

The policy seeks to adopt measures to avoid any conflict of interest, identify the existence of any conflict of interest, and to disclose the existence of Conflict of Interest.

It also sets out the process, procedures, and internal controls to facilitate compliance with the Policy as well as to highlight the consequences of non-compliance with the policy by the company's employees and representatives. The Company's Compliance Department is the custodian of this policy as well as the process of declaration and reporting.

INTRODUCTION

The company recognizes that in their dealings with clients, potential clients and suppliers, the offering and acceptance of financial interest may take place from time to time. The offer or acceptance of financial interest or immaterial financial interest must at all times avoid potential or actual conflict of interest and must at all times take place in accordance with the prevailing regulatory requirements.

As an authorised financial services provider, the company is obliged to comply with the prescribed Conflict of Interest provisions of the FAIS Act. All employees of the company who are involved in the business are obliged to conduct themselves in a professional manner and in line with this policy.

CONFLICT OF INTEREST

This policy is not meant to identify each and every conflict-of-interest situation that may arise, but should be used merely as a guide. It will help to identify what constitutes a conflict of interest in the processes and procedures that are in place to facilitate compliance and the consequences of non-compliance. It is intended to assist employees in making the right decisions when confronted with potential conflict of interest situations.

Officers, directors, and employees of the company must never permit their personal interests to conflict, or appear to conflict, with the interests of the company, its clients, or affiliates. A conflict can arise under a variety of different circumstances including as a result of financial interest or ownership interest held by the company, a representative of the company or as a result of a relationship with a third party.

It is impossible to describe every circumstance where a conflict of interest may occur, however these may include but is not exclusive to:

- Real or perceived financial gain resulting from recommendations to our clients at a cost to the client.
- An outcome in service delivery or a transaction executed that may differ from the real interest of the client.
- Any non-cash incentives that may be received by the business from affecting any predetermined transaction and / or product.
- Effecting a transaction and / or product that may result in a benefit to another party other than the client.

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.
- A recognised qualifying enterprise development contribution to a qualifying beneficiary by a provider that is a measured entity.

Officers, directors, and employees must be particularly careful to avoid representing the company in any transaction with others with whom there is any outside business affiliation or relationship. Officers, directors, contractors, and employees shall avoid using their company contacts to advance their private business or personal interests at the expense of the company, its clients, or affiliates.

MEASURES AIMED AT IDENTIFYING AND MITIGATING CONFLICT OF INTEREST

The FAIS General Code of Conduct for Authorised Financial Services Providers ("FAIS GCoC") requires that the company and its representatives avoid any conflict of interest between the company and a client and / or a representative and a client but where this is not possible, to mitigate any conflict of interest.

If an employee identifies a potential or actual conflict of interest, the employee must, timeously and fully disclose any such potential or actual existence of a conflict to their immediate manager and the Compliance department who will evaluate the intended transaction and give guidance. The content of the discussion as well as any decision made must be in writing.

Compliance with all rules, regulations and legislation is the individual responsibility of each employee. Each employee must accept personal responsibility for behaving correctly and in accordance with this policy. Likewise, each employee is obligated to stop or prevent any actions that are contrary to the content of this Policy, and which could cause any harm to the company as a result.

Set out below are various ways in which the company can identify any conflict of interest:

- Use the company's gift declaration register to provide information on conflict of interest.
- Monitoring of conflict-of-interest disclosures which are submitted annually.
- Regular monitoring of commissions and fees that are paid / received by business units.

The above is not an exhaustive list of how to identify the existence of a conflict of interest.

FINANCIAL INTEREST PAYABLE TO REPRESENTATIVES

It is the company's policy not to offer any financial interest to its representatives for:

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

Management must ensure that where incentives are payable to representatives for achieving prescribed targets, that such targets not result in a breach of any of the above requirements.

The above aims to ensure that, clients are fully protected from undue and uncompetitive behaviour by product suppliers and/or their representatives. The ultimate objective is to ensure that clients at all times receive the best possible advice and/or intermediary services.

FINANCIAL INTEREST PAYABLE TO THE COMPANY AS THE FINANCIAL SERVICES PROVIDER

As indicated, an actual or potential conflict of interest can arise as a result of a financial interest. Provision is therefore made under the FAIS GCoC for the financial interest that the company and its representatives are permitted to receive and offer the following from or to Third Parties:

1. Commission authorised under the Short-term Insurance Act and any related/subsequent pieces of legislation.
2. Fees authorised in terms of the Short-term Insurance Act and any related pieces of legislation, if those fees are commensurate to a service being rendered.
3. Fees payable by a client for financial services rendered and where the client has specifically agreed to the payment of such fees in writing and may be stopped at the discretion of the client.
4. 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.

5. Immaterial Financial Interest which does not exceed R1000 in any calendar year from the same Third Party.

INSURER FEES

Instances may arise where the company will be required to perform administrative duties on behalf of an insurer. This means that an Insurer mandates the company to perform certain functions on their behalf which may include entering into policies, issuing of policy documentation, electronic policy filing and storing or claims administration. When performing these services the company will be seen as a service provider to such an insurer and will be paid a fee, which is governed by legislation.

In terms of the requirements of the FAIS GCoC and the Binder Regulations of the Short-Term Insurance Act and the amendments thereto, the company will inform a client of such a relationship, and disclose the fees earned in respect of any product recommended to a client.

GIFTING

No bribes, kickbacks or other similar remuneration or consideration shall be given to any person or organization in order to attract or influence business activity. Officers, directors, and employees shall avoid gifts, gratuities, fees, bonuses, or excessive entertainment, in order to attract or influence business activity.

No gifts or gratuities above the aggregate value of R1,000 may be accepted or given without written consent from the Executive Committee. All gifts and accompanying documentation must be registered in the non-cash incentive/ gifts register.

In exercising its discretion, the Executive Committee must have regard to any commission regulations or other laws which may be breached by the receipt of such gift. A written statement from the giver explaining the reason for and purpose of the gift must accompany any request for authorisation. This provision applies, without limiting the generality of the foregoing, also to invitations to any functions, including lunches, dinners, training interventions and prize-giving.

The gifts register shall be maintained in electronic format, as submitted by the different divisions/departments within the company. The gifts register shall be managed and recorded by the Compliance department and may be audited by the auditor or accountant on an annual basis for the purpose of determining whether any gifts or incentives exceeded the aggregate value of R1 000 from any one Financial Services Provider, Product Supplier, or provider of other services. The results of the audit shall be communicated to the company's Risk Committee. In determining whether any gift or incentive is to be allowed, the group Managing Director or person authorised by him shall have the final say and approval.

INSIDER TRADING

Officers, directors, and employees of the company will often come into contact with, or have possession of, proprietary, confidential, or business-sensitive information and must take appropriate steps to assure that such information is strictly safeguarded. This information – whether it is on behalf of the company or any of our clients or affiliates – could include strategic business plans, operating results, marketing strategies, customer lists, personnel records, upcoming acquisitions and divestitures, new investments, and manufacturing costs, processes, and methods. Proprietary, confidential, and sensitive business information about the company, other companies, individuals and entities should be treated with sensitivity and discretion and only be disseminated on a need-to-know basis.

Officers, directors, and employees will seek to report all information accurately and honestly, and as otherwise required by applicable reporting requirements.

Officers, directors, and employees will refrain from gathering competitor intelligence by illegitimate means and refrain from acting on knowledge which has been gathered in such a manner. The officers, directors, and employees of the company will seek to avoid exaggerating or disparaging comparisons of the services and competence of their competitors.

Violation of this Code can result in disciplinary action being taken against the person, including possible termination of services. The degree of discipline relates in part to whether there was a voluntary disclosure of any ethical violation and whether or not the violator cooperated in any subsequent investigation.

DISCLOSURE OF MATERIAL CONFLICTS

Material conflicts must be discussed to the Executive Committee before any decision is made. The group Managing Director or person authorised by him may make the final decision regarding a material conflict.

When any staff member of the company suspects a potential conflict of interest, that member shall be obliged to discuss the matter with his/her immediate manager. The content of the discussion as well as any decision made must be recorded. The manager and staff member will accept joint responsibility for the decision taken unless the decision is put forward for ratification to a more senior person in the company. In assessing whether a conflict is material or of a lesser nature, regard must be had to the impact that such a conflict will have on the company's reputation, financial loss and internal erosion of ethical standards.

All decisions made must be reported to the Executive Committee as and when it arises, by the most senior person involved in that decision.

SIGN-ON BONUSES

It is not the policy of the company to pay any new employee a sign-on bonus when accepting an offer of employment with the company, as stipulated in the amendment of the GCoC in Board Notice 146 of 2014.

MANAGEMENT AND MITIGATION

The Executive Committee of the company will review all conflicts on an annual basis and make recommendations regarding steps to avoid a recurrence of those aspects. The Managing Director will accept responsibility for the implementation of all steps necessary. Notice of the attention paid to conflict of interest must be contained in the minutes of the meetings of the executive committee and the relevant extracts of the minutes must be made available to the company's compliance officer on request, the purpose of which is to enable the compliance officer to report on compliance with this policy.

Where a conflict is identified and a decision made, the nature of the decision must be communicated to the third party in writing as soon as possible. This applies regardless of whether the decision was made to cease doing business or continue with the business at hand despite the existence of the conflict. It is important for the preservation of the corporate integrity that these disclosures are made at all times.

LIST OF SUBSIDIARIES AND THIRD PARTIES

At the date hereof, the company's structure and relationships are as follows:

Alba Risk Partners is 100% owned by Prime 73 Risk Solutions (Pty) Ltd.

Shareholder:

Prime 73 Risk Solutions (Pty) Ltd (Co Reg No 2017/337062/07) is owned by:

- Steyn Alexander Mc Dowall, with 100% shareholding

STAFF TRAINING AND GENERAL AWARENESS

All company employees must be trained on this policy. A copy of the policy must be provided to each staff member at inception of that staff member's duties and updated versions must be circulated as and when they are updated. Moreover, all clients – existing and future, must be made aware of the existence of this policy. The company's statement regarding COI Management must be posted on the company's website under the section "About Us". It is the responsibility of the Compliance function to ensure that the provisions of this paragraph are adhered to.

CONSEQUENCES OF NON-COMPLIANCE

It is important that the above procedures are strictly adhered to in order to ensure compliance with the FAIS GCoC. Failure to comply with the prescribed procedures would result in a material breach of the FAIS GCoC and representatives found to have wilfully breached the regulatory requirements will face disciplinary action in accordance with the company's disciplinary policy and procedures.

POLICY ADOPTION

This policy has initially been approved and adopted by the Executive Committee of the Company during August 2026, and annually thereafter post review. It will be reviewed annually or more frequent if legislation requires it.