



# CONFLICT OF INTEREST MANAGEMENT POLICY

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## VISION DIRECT 155 T/A TRANSAFRICA

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### OWNER OF POLICY

FSP NAME: VISION DIRECT 155 (PTY) LTD T/A TRANSAFRICA

FSP NUMBER: 21200

NOMINATED KEY INDIVIDUAL: ANNA JACOBA MOSTERT

As nominated key individual, I hereby confirm the adoption of this policy.

Key Individual Signature

Date: 3 October 2022


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## DOCUMENT REVIEW ROSTER


The Conflict of Interest Management Policy is a working document, which should be reviewed periodically.

It is advisable to review the policy on an annual basis. Any amendments must be indicated on the document review roster and relevant staff members must be informed of any updates.


Revision Date	12 October 2019
Comments / Amendments	Policy perused. No amendments made
Next Revision Date	12 October 2020
Responsible Person Signature	


Revision Date	6 October 2020
Comments / Amendments	Policy updated and aligned with legislation.
Next Revision Date	6 October 2021
Responsible Person Signature	


Revision Date	4 October 2021
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Next Revision Date	4 October 2022
Responsible Person Signature	


Revision Date	3 October 2022
Comments / Amendments	Restructured policy. Amended clauses 1, 3, 4, 5, 6 and 7. Amended Annexures A, B and C
Next Revision Date	3 October 2023
Responsible Person Signature	

**POLICY ADOPTION**

<b>By signing this document, I acknowledge that TransAfrica adopts, maintains and implements this policy</b>		
<b>Name and Surname</b>	<b>Date</b>	<b>Key Individual Signature</b>
Barend Frederik Smit	3 October 2022	

<b>By signing this document, I acknowledge that TransAfrica adopts, maintains and implements this policy</b>		
<b>Name and Surname</b>	<b>Date</b>	<b>Key Individual Signature</b>
Anna Jacoba Mostert	3 October 2022	

<b>By signing this document, I acknowledge that TransAfrica adopts, maintains and implements this policy</b>		
<b>Name and Surname</b>	<b>Date</b>	<b>Key Individual Signature</b>
Charles Brunette	3 October 2022	

<b>By signing this document, I acknowledge that TransAfrica adopts, maintains and implements this policy</b>		
<b>Name and Surname</b>	<b>Date</b>	<b>Key Individual Signature</b>
Jacobus Adriaan Engelbrecht	3 October 2022	

## 1 POLICY INTRODUCTION

### 1.1 INTRODUCTION

In terms of the General Code of Conduct, TransAfrica has to adopt, maintain and implement a conflict of interest management policy that complies with the provisions of the FAIS Act. TransAfrica understands the need to ensure effective corporate governance, not only for the integrity of our business but also to protect our clients. TransAfrica undertakes to at all times render financial services honestly, fairly and with due skill, care and diligence.

### 1.2 PURPOSE

- The purpose of this policy is to primarily provide mechanisms for the identification and management of Conflicts of Interest that may arise in the rendering of financial services to Clients as well as to assist affected entities and individuals in protecting the interest of TransAfrica and the interests of any client to whom financial services are rendered.
- This policy further seeks to adopt measures to identify the existence of any Conflict of Interest, to avoid any Conflict of Interest and to disclose the existence of a Conflict of Interest.

## 2 DEFINITIONS

### 2.1 “associate” means-

a) in relation to a natural person,

- i) a person who is recognised in law or the tenets of religion as the spouse, life partner, or civil union partner of that person;
- ii) a child of that person, including a stepchild, adopted child and a child born out of wedlock;
- iii) a parent or stepparent of that person;
- iv) a person in respect of which that person is recognised in law or appointed by a court as the person legally responsible for managing the affairs of or meeting the daily care needs of the first-mentioned person;
- v) a person who is the spouse, life partner or civil union partner of a person referred to in (ii), (iii) and (iv) vi) a person who is in a commercial partnership with that person.

b) in relation to a juristic person,

- i) which is a company, means any subsidiary or holding company of that company, any other subsidiary of that holding company and any other company of which that holding company is a subsidiary.
- ii) which is a closed corporation registered under the Close Corporations Act, means any member thereof as defined in section 1 of that Act.

- iii) which is not a company or a closed corporation, means another juristic person which would have been a subsidiary or holding company of the first-mentioned juristic person:
  - had such first-mentioned juristic person been a company; or
  - in the case where that other person, too, is not a company, had both the first-mentioned juristic person and that other juristic person been a company.
- iv) means any person in accordance with whose directions or instructions the board of directors of or, in the case where such juristic person is not a company, the Operational Risk Committee of such juristic person is accustomed to act.

c) in relation to any person,

- i) means any juristic person of which the board of directors or, in the case where such juristic person is not a company, of which the Operational Risk Committee is accustomed to act in accordance with the directions or instructions of the person first-mentioned in this paragraph.
- ii) includes any trust controlled or administered by that person

2.2 **“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 or its obligations to that client; or any relationship with a third party; or prevent a provider or representative from rendering an unbiased and fair financial service to that client, or from acting in the interest of that client, including but not limited to: a financial interest; an ownership interest.

2.3 **“distribution channel”** means-

- a) any arrangement between a product supplier or any of its associates and one or more providers or any of its associates in terms of which arrangement any support or service is provided to the provider or providers in rendering a financial service to a client
- b) any arrangement between two or more providers or any of their associates, which arrangement facilitates, supports or enhances a relationship between the provider or providers and a product supplier
- c) any arrangement between two or more product suppliers or any of their associates, which arrangement facilitates, supports or enhances a relationship between the provider or providers and a product supplier.

2.4 **“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: 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 accommodations associated with that training.

2.5 **“ownership interest”** means 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 includes any dividend, profit share or similar benefit derived from that equity or ownership interest.

2.6 **“third party”** means-

- a) a product supplier;
- b) another supplier
- 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 above, provides a financial interest to a provider or its representatives.

### 3 GENERAL PROVISIONS

TransAfrica may not offer any financial interest to a representative for:

- Giving preference to the quantity of business secured for TransAfrica to the exclusion of the quantity of the service rendered to clients;
- Giving preference to a specific product supplier, where a representative may recommend more than one product supplier to a client;
- 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 MECHANISMS FOR IDENTIFICATION

The mechanisms implemented to identify actual or potential conflicts of interest for TransAfrica are:

- The governing body of TransAfrica conducts quarterly reviews on all agreements held with 3rd parties and re-examines whether this relationship influences TransAfrica's objective performance towards its clients.
- The governing body of TransAfrica conducts quarterly reviews on all agreements held with 3rd parties and re-examines whether this relationship influences TransAfrica's ability to render fair and unbiased financial services towards its clients.
- The governing body of TransAfrica conducts quarterly reviews on all agreements held with 3rd parties and re-examines whether this relationship influences TransAfrica's ability to act in the interest of the client.
- The governing body of TransAfrica conducts quarterly reviews on all relationships held with 3rd parties, where an ownership interest is present, and re-examines whether this relationship influences TransAfrica's objective performance towards clients.

- The governing body of TransAfrica conducts quarterly reviews on all relationships held with 3rd parties where an ownership interest is present, and re-examines whether this relationship influences TransAfrica's ability to render fair and unbiased financial services towards its clients.
- Declarations are signed off by the Key Individuals confirming the presence or absence of any actual or potential conflict of interest on a quarterly basis.
- A list of all TransAfrica's associates is attached hereto and marked **Annexure A** and is updated annually.
- A list of all parties in which TransAfrica holds an ownership interest is attached hereto and marked **Annexure B** and is updated annually.
- A list of all parties that holds an ownership interest in TransAfrica is attached hereto and marked **Annexure C** and is updated annually.
- All gifts received from 3rd parties, with an estimated value of R50 or more, are recorded in TransAfrica's gift register which is kept on TransAfrica's compliance file.
- All employees must disclose in writing to the compliance officer of TransAfrica on an ongoing basis, any conflicts of interest that they may become aware of.
- All records associated with the identification of an actual or potential conflict of interest are kept on the compliance file which is available for inspection purposes.

The mechanisms implemented to identify actual or potential conflicts of interest for Representatives are:

- Declarations are signed by the Representatives confirming the presence or absence of any actual or potential conflict of interest on a quarterly basis.
- All Representatives must disclose in writing to the governing body of TransAfrica on an ongoing basis, any conflict of interest that they may become aware of.

## 5 AVOIDANCE AND MITIGATION

Once an actual or potential conflict of interest has been identified the following measures will be followed to determine whether the conflict of interest is avoidable:

- The governing body of TransAfrica will convene and review the actual or potential conflict of interest in an open and honest forum.
- All information surrounding the actual or potential conflict of interest must be disclosed to all interested parties.

The following consequences must be considered during the review process:

- The consequences of both avoidance and unavailability as well as the subsequent negative impact it will have on clients.
- The consequences of both avoidance and unavailability as well as the subsequent negative impact it will have on the integrity of the financial services industry.



- The consequences of both avoidance and unavailability as well as the subsequent negative impact it will have on TransAfrica.
- The governing body of TransAfrica must apply its mind to whether TransAfrica can obtain a more advantageous transaction, agreement or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- If a more advantageous transaction, agreement or other arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the governing body of TransAfrica shall determine by a majority vote whether the transaction, agreement or arrangement is in the best interest of TransAfrica and any affected client/s and accordingly make its decision as to whether to enter into the transaction, agreement or arrangement in conformity with such determination.

If the governing body of TransAfrica has determined that the actual or potential conflict of interest is avoidable, the following processes must be adhered to:

- The governing body must approve, by a majority vote, the removal of the underlying cause of the actual or potential conflict of interest.
- The underlying cause of the actual or potential conflict of interest must be removed as soon as reasonably possible.
- Any negative impact on clients owing to the removal of the actual or potential conflict of interest must be kept to a minimum.
- The reason(s) why the actual or potential conflict of interest was determined to be avoidable must be recorded.
- All determinations and interventions as it pertains to the avoidance of the conflict of interest must be documented and kept on the compliance file.
- Similar conflicts of interest must be avoided in the future.

If the governing body of TransAfrica has determined that the actual or potential conflict of interest is unavoidable, the following mitigation processes must be adhered to:

- The governing body of TransAfrica will convene and review an appropriate mitigation process given the unavailability of the particular set of circumstances.
- The reason(s) why the actual or potential conflict of interest is considered to be unavoidable must be recorded and kept on the compliance file.
- TransAfrica's compliance officer must be made aware of the conflict's unavailability as well as the reasons for such said unavailability.

The mitigation process will include the adoption of the following measures:

- The actual or potential conflict of interest must remain only for as long as it is necessary given the unavailability of the actual or potential conflict of interest.
- Alternative arrangements to a proposed transaction, contract or arrangement that is the subject of the conflict of interest must be investigated continuously.
- The rendering of financial services must at all times be conducted as to the best interest of the client (in as far as this is possible, given the unavailability of the actual or potential conflict of interest).
- All representatives must be made aware of the actual or potential conflict of interest, and the reasons for its unavailability.
- Full disclosure of the actual or potential conflict of interest must be made to the client at the earliest reasonable opportunity.
- Full disclosure of the actual or potential conflict of interest must be made to the Financial Sector Conduct Authority during TransAfrica's annual compliance report.

## 6 FACILITATION OF COMPLIANCE

The processes associated with the implementation and continued compliance with the conflict of interest management policy must be performed by the appointed governing body of TransAfrica.

Internal controls and processes include the following and all shall be reported to the Risk Committee:

- The governing body of TransAfrica will ensure that the policy is kept on the compliance file, and the appointed Compliance Officer.
- The governing body of TransAfrica will ensure that the annexure section of this policy is completed, and the appointed Compliance Officer.
- The governing body of TransAfrica will ensure that all declarations confirming the presence or absence of any actual or potential conflict of interest are signed on a quarterly basis.
- The governing body of TransAfrica will ensure that a list of all TransAfrica's associates is attached hereto and updated annually.
- The governing body of TransAfrica will ensure that a list of all the parties in which TransAfrica holds an ownership interest is attached hereto and updated annually.
- The governing body of TransAfrica will ensure that a list of all third parties that hold an ownership interest in TransAfrica is attached hereto and updated annually.
- The governing body of TransAfrica will ensure that all gifts received from 3rd parties, with an estimated value of R50 or more are recorded in TransAfrica's gift register.
- The governing body of TransAfrica will ensure that all records associated with the identification of actual or potential conflicts of interest are kept on the compliance file.

- The governing body of TransAfrica will ensure that the proper disclosure requirements are communicated to the client.
- The Conflicts of Interest Management Policy will be:
  - Overseen by the governing body of TransAfrica who carries the responsibility for the implementation, reviewing and updating of the policy's associated processes.
  - Reviewed at least annually, and where necessary, updated to ensure that the arrangements remain adequate to identify, assess, evaluate and successfully control conflicts of interest.

## **7 CONSEQUENCES OF NON-COMPLIANCE**

- If there is reason to believe that an employee or a representative has failed to disclose actual or possible conflicts of interest, TransAfrica's Compliance Officer shall afford that person the opportunity to explain the alleged failure to disclose.
- If after hearing the response of the employee or representative and making such further enquiries as may be warranted in the circumstances, and where the Compliance Officer of TransAfrica determines that the employee or representative has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## ANNEXURE A – LIST OF ASSOCIATES

Below is an updated list of TransAfrica's associates:

Name of Associate	Nature of Relationship
None	N/A

As Key Individual of TransAfrica, I, **Anna Jacoba Mostert** hereby confirm the list of TransAfrica's associates as indicated above.



\_\_\_\_\_  
Key Individual Signature

3 October 2022

\_\_\_\_\_  
Date

## ANNEXURE B – LIST OF OWNERSHIP INTEREST (FSP)

Below is an updated list of all parties in which TransAfrica holds an ownership interest:

Name of 3 <sup>rd</sup> party	Nature and extent of ownership interest
None	N/A

As Key Individual of TransAfrica, I, **Anna Jacoba Mostert** hereby confirm the list of all parties in which TransAfrica holds an ownership interest.



\_\_\_\_\_  
Key Individual Signature

3 October 2022

\_\_\_\_\_  
Date

**ANNEXURE C – LIST OF OWNERSHIP INTEREST (3<sup>rd</sup> PARTIES)**

Below is an updated list of all parties that holds an ownership interest in TransAfrica:

Name of 3 <sup>rd</sup> party	Nature and extent of ownership interest
None	N/A

As Key Individual of TransAfrica, I, **Anna Jacoba Mostert** hereby confirm the list of all parties that holds an ownership interest in TransAfrica.



\_\_\_\_\_  
Key Individual Signature

3 October 2022

\_\_\_\_\_  
Date