



Conflict of Interest

*Ibiliti Underwriting Managers (Pty) Ltd - Reg No: 2011/004766/07
A registered financial services provider (FSP 43404). >>*

ibiliti
We do what we say. That simple!

Scope of the conflict of interest of management policy

This policy is aligned with the General Code of Conduct for Authorised Financial Services Providers and Representatives Notice, 2010 ("the Code"), published in Board Notice, 58 of 2010 and the words and expressions used in this policy will bear the meaning assigned to them in accordance with the Code. This policy is available on our website: www.ibiliti.co.za. Hard copies will be furnished upon request.

Introduction

The directors, managers and employees of Ibiliti Underwriting Managers ("Ibiliti") aspire to the highest level of ethical conduct in our work. Ibiliti also values the knowledge gained from such individuals' involvement with other organisations.

Inevitably, from time to time, such affiliations may create or appear to create conflicts with the individual's duty to the company.

To ensure that the company's decisions are free of any conflicts or other inappropriate influences, the following policy concerning conflicts of interest and gifts has been adopted.

We will constantly improve the quality of our services, products and operations and ensure that we maintain our reputation for honesty, fairness, respect, responsibility, integrity, trust and sound business judgement.

Conflict of interest

1. Ibiliti will avoid and where this is not possible, mitigate any conflict of interest between a financial service provider and a client or the representative of a client.
2. Ibiliti confirms that it will only offer a financial interest to its financial service providers in the form of:
 - 2.1. Commission authorised in terms of the Short-term Insurance Act, No 53 of 1998;
 - 2.2. Commission authorised in terms of the Medical Schemes Act, No 131 of 1998;
 - 2.3. 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;
 - 2.4. An immaterial financial interest. (An immaterial financial interest means any financial interest with a determinable monetary value, the aggregate of which does not exceed R1000.00 in any calendar year from the same third party or product supplier to a provider, who for its benefit or that of some or all its representatives, aggregates the immaterial financial interest paid to its representatives).
 - 2.5. Any immaterial financial interest offered to a service provider in 2.4 above, must be fully disclosed in the company's electronic "Conflict of Interest & Gifts Register".

Personal interest

3. Directors, managers 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 associates. This may include but is not limited to:
 - 3.1. Affecting a transaction that may benefit a third party at the expense of the client.
 - 3.2. No employee may be involved in any undertaking that competes either wholly or partly with the company. Any financial participation in companies which are in competition with our company or its business partners is subject to the prior approval of Board members, however, this does not apply to investments in JSE listed shares.
 - 3.3. Permission to take part in any additional paid employment, or any other activities which are aimed at profit generation, outside of the company, or during company time, must be obtained in advance and in writing from a Key Individual with a copy to Human Resources. (This excludes passive investments in any Stock Exchange or similar investments conducted either individually or through a private syndicate or group.) Approval for other employment or activities shall be declined if it could lower the employee's performance level at the workplace, if it is contrary to the employee's duties within the company, or if there is a potential risk of a conflict of interests.
 - 3.4. Directors, managers and employees must be particularly careful not to represent Ibiliti in any transaction where they have an outside business affiliation or relationship with any party that has an interest in that transaction. Directors, managers or employees may only represent the company in business transactions in which they themselves or persons close to them are directly involved with the prior approval of a Key Individual / the Board.

Gifts and other benefits

4. This policy to be read in conjunction with the Ibiliti Terms and Conditions of Employment. No employee can accept gifts or other benefits in connection with his/her business activities.

The following limits and guidelines will apply in respect of all gifts and must be approved by a Key Individual:

- 4.1. Any gifts over the value of R1000.00 in a calendar year from any work-related source may not be accepted by any person within the organisation. The reported value of the gift is the fair market value on the date it was received.
- 4.2. Any gift more than R1000.00 which cannot easily be declined because of the nature of the business relationship must be approved by a Key Individual or Senior Manager before it may be accepted.
- 4.3. Any gifts may be accepted with management consent but must be registered in the "Conflict of Interest & Gifts Register".
- 4.4. Any gifts received from the same client exceeding R1000.00 in any one calendar year, the details of each gift must be recorded in the "Conflict of Interest & Gifts Register".
- 4.5. If there is any doubt as to whether a gift is acceptable or not, or whether the value falls within any of the categories, then the gift must be declared in the "Conflict of Interest & Gifts Register" and discussed with a Key Individual or Senior Manager.
- 4.6. Where the value is excessive, the gift must be returned gracefully.
- 4.7. Invitations to business dinners within usual business practices may be accepted. Invitations to entertainment functions such as sports events, shows or other social occasions may be accepted if they conform to usual business practices and provided that a representative of the host company is present. If there is any doubt, prior approval must be obtained from a Key Individual or Senior Manager; and
- 4.8. Where the value falls into the categories outlined in 4.3 above, it must be declared in the "Conflict of Interest and Gifts Register".

Compliance with this policy

5. All directors, managers and employees are required to read Board Notice 58 of 2010 as well as this policy and to sign a statement to the effect that they have done so and fully understand the provisions of both documents and the application thereof.
 - 5.1. Training in respect of this policy will be done by Ibiliti Underwriting Managers.
 - 5.2. The company's registered Compliance Officer will include monitoring of this policy as part of his/her general monitoring duties and will report thereon in the annual compliance report.
 - 5.3. The Key individual will provide an annual report to the audit committee reflecting all transactions in which there was a conflict of interest and the actions taken.
 - 5.4. Ibiliti may not avoid, limit or circumvent or attempt to avoid, limit or circumvent compliance with this policy, including Board Notice 58 of 2010, through an associate or an arrangement involving an associate.
 - 5.5. This policy will be reviewed annually and updated, if applicable.
 - 5.6. Any director, manager and employee who is in breach of this policy, including the provisions of Board Notice 58 of 2010, will be subjected to disciplinary steps taken against him/her and if found guilty, this can lead to summarily dismissal, which will include debarment in terms of FAIS, where applicable.