

ALL WEATHER

CONFLICT OF INTEREST MANAGEMENT POLICY

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A. INTRODUCTION

1. This document embodies the Conflict of Interest Management Policy for All Weather Capital (Pty) Ltd.
2. “Conflict of interest” means any situation in which All Weather Capital (Pty) Ltd or its representatives 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 prevent All Weather Capital (Pty) Ltd or its representatives from rendering an unbiased and fair financial service to that client, or from acting in the interests of that client, including, but not limited to
 - i. a financial interest;
 - ii. an ownership interest;
 - iii. any relationship with a third party (“third party” means
 - a. a product supplier,
 - b. another provider,
 - 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 in paragraphs (a) to (d) above provides a financial interest to a provider or its representatives.)
3. The primary objectives of this Policy are:
 - i. To provide guidance on the behaviours expected in accordance with All Weather Capital (Pty) Ltd standards;
 - ii. To promote transparency and to avoid business-related COI;
 - iii. To ensure fairness in the interests of employees and All Weather Capital (Pty) Ltd;
 - iv. To document the process for the disclosure, approval and review of activities that may amount to actual, potential or perceived COI;
 - v. To provide a mechanism for the objective review of personal outside interests.
4. All Weather Capital (Pty) Ltd is committed to ensuring that all business is conducted in accordance with good business practice. To this end All Weather Capital (Pty) Ltd conducts business in an ethical and equitable manner and in a way that safeguards the interests of all stakeholders to minimize and manage all real or potential conflict of interest (COI). All Weather Capital (Pty) Ltd and its representative must therefore avoid (or mitigate where avoidance is not possible) any COI between All Weather Capital (Pty) Ltd and a client or its representative and a client.

B. FINANCIAL INTEREST

1. All Weather Capital (Pty) Ltd or its representatives may only receive or offer financial interest from or to a third party as determined by the Registrar of Financial Services Providers from time to time, and as set out in Annexure A hereto.
2. "Financial interest" means any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic and foreign travel, hospitality, accommodation, sponsorship, other incentive or valuable consideration, other than –
 - i. an ownership interest
 - ii. 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; specialized technological systems of a third party necessary for the rendering of a financial service; but excluding travel and accommodation associated with that training.
3. All Weather Capital (Pty) Ltd may not offer any financial interest to its representatives for giving preference to the quantity of business secured for the provider to the exclusion of the quality of the service rendered to clients; OR giving preference to a specific product supplier, where a representative may recommend more than one product supplier to a client; OR giving preference to a specific product of a product supplier, where a representative may recommend more than one product supplier to a client.
(Para 3 is N/A at this stage as All Weather Capital (Pty) Ltd have no representatives).
4. All Weather Capital (Pty) Ltd and it's employees will additionally be bound by Directive PF No 8: Prohibition on the Acceptance of Gratification wherein it imposes conditions to combat and prevent bribery and corrupt conduct by any industry role player.

The purpose of this Directive is to determine conditions to be imposed by the Registrar of Pension Funds ('Registrar') in order to combat and prevent corruption and corrupt activities by and of principal officers, deputy principal officers, board members, employees of retirement funds, valuers, auditors, administrators, employees of administrators or other officers or other service providers to retirement funds including investment managers and investment advisors.

These include:

- a. money, whether in cash or otherwise
- b. any donation, gift, loan, fee, reward, valuable security, property or interest in a property of any description, whether movable or immovable, or any other similar advantage

- c. the avoidance of loss, liability, penalty, forfeiture, punishment or other disadvantage
- d. any office, status, honour, employment, contract of employment or services, any agreement to give employment or render services in any capacity and residential or holiday accommodation
- e. any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part
- f. any forbearance to demand any money or money's worth or valuable thing
- g. any other service of favour or advantage of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings from a disciplinary, civil or criminal nature, whether or not already instituted, and includes the exercise or the forbearance from the exercise of any right or any official power or duty
- h. any right or privilege
- i. any real or pretended aid, vote, consent, influence or abstention from voting, or
- j. any valuable consideration or benefit of any kind, including any discount, commission, rebate, bonus, deduction or percentage
- k. but excludes remuneration paid by a sponsor of a retirement fund to a board member appointed by the sponsor of a retirement fund.

Specific types of gratification not permitted:

- a. any gratification which objectively viewed, creates a conflict of interest with their fiduciary duty towards the fund;
- b. token gift/s that exceed/s the annual limit set by the board in terms of the fund's gift policy, which annual limit shall not be more than R500.00 per annum in aggregate from any one service provider;
- c. any gratification relating to local or international due diligence's including, but not limited to, subsistence, travel or accommodation
- d. any gratification relating to local or international entertainment or sporting events including, but not limited to, subsistence, travel or accommodation; and
- e. conferencing costs or board of fund expenses.

C. MECHANISMS FOR IDENTIFYING COI

1. No person may avoid, limit or circumvent, or attempt to avoid, limit or circumvent compliance with the COI Policy via an associate or third party or an arrangement involving an associate or a third party.
2. All Weather Capital (Pty) Ltd and its employees & representatives may only receive or offer the following financial interest from or to a third party. The financial interest includes but is not limited to:
 - a) Fees as agreed in the management agreement if those fees are reasonably commensurate to a service being rendered;
 - b) 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;

D. RESOLVING COI

1. The first and most important line of defense against COI or commitment is by the key individuals and representatives (***N/A at this stage – see para3***) themselves.
2. Second line of defense is by compliance officer.

E. POTENTIAL COI THAT COULD AFFECT All Weather Capital (Pty) Ltd

1. The following are potential COI that could affect All Weather Capital (Pty) Ltd:
 - i. Directorships or other employment;
 - ii. interests in business enterprises or professional practices;
 - iii. share ownership;
 - iv. beneficial interests in trusts;
 - v. personal Account Trading;
 - vi. professional associations or relationships with other organizations;
 - vii. personal associations with other groups or organizations, or family relationships;
 - viii. Front running;
 - ix. Rebates;
 - x. Kickbacks; and
 - xi. Commission

F. MEASURES TO AVOID COI:

1. Once an actual or potential conflict of interest has been identified, steps must be taken to (wherever possible) to avoid such a conflict. Should such avoidance not be possible, steps must be taken to mitigate such an actual or potential conflict of interest and must be disclosed to all impacted parties

G. DISCLOSURE OF COI:

1. At the earliest reasonable opportunity, All Weather Capital (Pty) Ltd and its representative must, in writing, disclose to a client any COI in respect of that client including –
 - i. Measures taken to avoid or mitigate the conflict;
 - ii. Any ownership interest or financial interest that the provider or representative may be or become eligible for;
 - iii. The nature of the relationship or arrangements with a third party that gives rise to a COI in sufficient detail to enable the client to understand the exact nature of the COI.
2. At the earliest reasonable opportunity, All Weather Capital (Pty) Ltd and its representative must, in writing, inform a client of the Conflict of Interest Management Policy and how it may be accessed.
3. Notification of an actual or potential COI should be made to a person with responsibility for the issue or area, such as the relevant management team, supervisor, head of the department or key individual.
4. In accordance with an employee's obligation to act in the best interest of his or her employer, it is not permissible for employees to engage in conduct that would amount to a COI with All Weather Capital (Pty) Ltd.
5. Staff that fail to disclose a potential or actual COI in accordance with this policy may be liable to disciplinary procedures as governed by relevant industrial awards or agreements.

H. PROCESSES, PROCEDURES AND INTERNAL CONTROLS TO FACILITATE COMPLIANCE WITH THE POLICY

1. Every staff member must have a copy of the Conflicts of interest Management Policy.
2. If a potential COI arises, the transaction must first be discussed with management before entering into the transaction.

I. CONSEQUENCES OF NON-COMPLIANCE WITH THE POLICY BY THE PROVIDER'S EMPLOYEES AND REPRESENTATIVES

1. Non-compliance with this policy and the procedures described in it may be considered to be misconduct and employees may be subject to disciplinary action that may lead to dismissal.

J. LIST OF ALL All Weather Capital (Pty) Ltd ASSOCIATES

1. N/a

K. NAMES OF ANY THIRD PARTIES IN WHICH THE PROVIDER HOLD AN OWNERSHIP INTEREST

1. N/a

L. NAMES OF ANY THIRD PARTIES THAT HOLDS AN OWNERSHIP IN THE PROVIDER

1. N/a

M. INCLUDE THE NATURE AND EXTENT OF THE OWNERSHIP INTEREST REFERRED TO IN PARAGRAPHS K AND L

1. N/a]

ANNEXURE A - FINANCIAL INTEREST

The Registrar of Financial Services Providers issued Board Notice 58 of 2010 (BN 58) under section 15 of the Financial Advisory and Intermediary Services Act, 2002 (FAIS). BN 58 amends the General Code of Conduct for Authorised Financial Services Providers and Representatives under FAIS and determines that a financial services provider or its representatives may only receive or offer financial interest from or to a third party as follows:

- i. Commission authorised under the Long-term Insurance Act or Short-term Insurance Act;
- ii. Commission authorised under the Medical Schemes Act;
- iii. Fees authorised under the Long-term Insurance Act, the Short-term Insurance Act or the Medical Schemes Act, if those fees are reasonably commensurate to a service being rendered;
- iv. Fees for the rendering of a financial service in respect of which commission or fees referred to in sub-paragraph (i), (ii) or (iii) is not paid, if those fees –
 - aa. are specifically agreed to by a client in writing; and
 - ab. may be stopped at the discretion of that client.
- v. 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;
- vi. subject to any other law, an immaterial financial interest*;
- vii. a financial interest, not referred to under sub-paragraph (i) to (vi), for which a consideration, fair value or remuneration that is reasonably commensurate to the value of the financial interest, is paid by that provider or representative at the time of receipt thereof.

Note

* “immaterial financial interest” means any financial interest with a determinable monetary value, the aggregate of which does not exceed R1 000 in any calendar year from the same third party in that calendar year received by –

- a) a provider who is a sole proprietor; or
- b) a representative for that representative’s direct benefit;
- c) a provider, who for its benefit or that of some or all of its representatives, aggregates the immaterial financial interest paid to its representatives.

ANNEXURE B - GIFTS REGISTRY

Name of Key Individual / Representative	Date on which gift was received	Source of gift	Type of gift	Value of gift