

**CONFLICT OF INTEREST POLICY FOR:  
DAVE POHL AND ASSOCIATES  
FSP NUMBER: 12436**

**Purpose/Summary**

"The business conducts its business honestly and ethically wherever we operate in the world. We constantly improve the quality of our services, products and operations and strive to create and maintain our reputation for honesty, fairness, respect, responsibility, integrity, trust and sound business judgment. No illegal or unethical conduct on the part of officers, directors, employees or affiliates is in the business's best interest.

The business will not compromise its principles for short-term advantage. The ethical performance of this business is the sum of the ethics of the men and women who work here; thus, we are all expected to adhere to high standards of personal integrity.

We also need to acknowledge that operating a business naturally creates conflicts increases reputational risk; often to dangerous levels."

**Version:**

2 – 2014/06

**Applies To:**

This procedure applies to all employees and mandated representatives of the business.

**Maintained By :**

Dave Pohl and Estelle Earl

**Approved in writing By:**

Dave Pohl, Matthew Pohl and Richard Pohl

**Definitions :**

"Conflict of interest: Applies when rendering a financial service to our customers and where we (provider or representative) have an actual or potential interest that may:

- a) influence the objective performance of obligations to our client
- b) prevents us from rendering an unbiased and fair financial service to our client
- c) prevents us from acting in the interests of our client"

"This includes, but is not limited to:

**A) A FINANCIAL INTEREST**

(Cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, other incentive or valuable consideration , and includes travel and accommodation in respect of training)

**B) AN OWNERSHIP INTEREST**

(any ownership interest which was bought for fair value, and any dividend, profit share or similar benefit derived from this)

**C) ANY RELATIONSHIP WITH A THIRD PARTY**

A third party is:

- a) A Product supplier or its associate

- b) Another financial services provider or its associate
- c) A Distribution channel
- d) any person who provides a financial interest to a provider/ representative as result of an agreement with a product supplier or its associate
- e) any person who provides a financial interest to a provider/ representative as result of an agreement with another FSP or its associate"

### **Introduction**

A conflict of interest may exist when a member/ officer/ director or employee is involved in an activity or has a personal interest that might interfere with his or her objectivity in performing business duties and responsibilities. Such conflicts may appear as favouritism or otherwise damage the reputation of the business or its employees.

An actual conflict of interest does not need to be present to constitute a violation of this policy. Activities that create the appearance of a conflict of interest must also be avoided to ensure that the reputation of the business and its employees are not harmed.

Personal interests of employees must not influence or appear to influence business transactions.

This policy provides the requirements for managing, avoiding and disclosing potential conflicts of interest and the process for obtaining a conflict of interest review.

The purpose of this document is to provide appropriate information in relation to the policies we have in place to manage conflicts of interest.

Below you will find a summary of the principal conflicts that exist in our business and the steps we take to manage them.

### **Our List of associates and third parties in which we hold an interest includes:**

- Depend Assure Financial Advisors

### **Representative incentives and remuneration**

The Firm may not offer any financial interest to its representatives for:

- Giving preference to the quantity of business secured and excluding the quality of the service rendered to customers
- Giving preference to specific product supplier , where a representative may recommend more than one product supplier to 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.

Our representatives are remunerated as follows :

On a Commission basis, and per their contract agreement.

### **Identifying conflicts of interest**

To adequately manage conflicts of interest, the business must identify all relevant conflicts timeously. It is the responsibility of all staff to adequately identify any potential conflict of interest situation.

### Examples of Conflicts of Interest

- Personal interests may include working relationships and/or financial interests with immediate family members or relatives.
- Activities include outside employment in areas similar to those in which the Business is involved;
- Outside work for customers, suppliers, vendors, or competitors of the business;
- Operating as a supplier to the business;
- Activities that have the potential to affect the staff member's objectivity;
- Activities that could reflect negatively on the reputation of the business and its employees.
- Holding a financial interest in a business concern that is a supplier, client, partner, subcontractor, or competitor of the business constitutes a conflict of interest under certain conditions.
- Incentive remuneration for placing a quantity of business with only 1 supplier, or for only 1 product of a supplier where a choice is available
- Participating in any activity that might lead to or give the appearance of unapproved disclosures of the business' confidential information or client confidential information
- Using an official position to obtain special privileges or advantages from individuals or businesses
- An employee, officer or director may serve on external non-profit, governmental or for-profit governance boards, however if such service in any way could create an actual or perceived conflict of interest, the services must be disclosed, and approved by the governing body of the business
- No person may receive or solicit outside employment, including paid service on a governance board, or compensation that would impair the independence of judgment of the individual in performing duties as an employee of the business

### Managing conflicts of interest:

In managing conflicts of interest, our procedure is to:

1. identify the conflicts of interest;
2. assess and evaluate those conflicts; and
3. decide upon, and implement, an appropriate response to those conflicts"

The following is a list of possible management strategies employed to manage the potential or actual conflict of interest:

1. Avoid the conflict of interest
2. Mitigate the impact
3. Where this is not possible, full disclosure of the Conflict of interest (COI.)"

### Prohibited Material conflicts:

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

Officers, directors, and employees of the business must never permit their personal interests to conflict, or appear to conflict, with the interests of the business, its customers or affiliates. This may include but is not exclusive to:

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

Included in the prohibitions is any activity which could be deemed a breach of confidentiality or disclosure of personal information as defined in the Protection of Personal Information Act (POPI), without the necessary written or legal authorisation.

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

#### Prohibited Insider trading

Officers, directors and employees of the business 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 our business or any of our customers or affiliates – could include strategic business plans, operating results, marketing strategies, client lists, personnel records, upcoming acquisitions and divestitures, new investments, and manufacturing costs, processes and methods. Proprietary, confidential and sensitive business information about this business, other companies, individuals and entities should be treated with sensitivity and discretion and only be disseminated on a need-to-know basis.

No disclosure of confidential information is permitted without written permission of the client or the most senior manager of this business. Misuse of material inside information in connection with trading in the business's securities can expose an individual to civil liability and penalties. Under current legislation, directors, officers, and employees in possession of material information not available to the public are "insiders."

Spouses, friends, suppliers, brokers, and others outside the business who may have acquired the information directly or indirectly from a director, officer or employee are also "insiders." The Act prohibits insiders from trading in, or recommending the sale or purchase of, the business's securities, while such inside information is regarded as "material", or if it is important enough to influence you or any other person in the purchase or sale of securities of any business with which we do business, which could be affected by the inside information.

The following guidelines should be followed in dealing with inside information:

Until the material information has been publicly released by the business, an employee must not disclose it to anyone except those within the business whose positions require use of the information.

- Employees must not buy or sell the business's securities when they have knowledge of material information concerning the business until it has been disclosed to the public and the public has had sufficient time to absorb the information.

- Employees shall not buy or sell shares of another corporation, the value of which is likely to be affected by an action by the business of which the employee is aware and which has not been publicly disclosed.

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 business will seek to avoid exaggerating or disparaging comparisons of the services and competence of their competitors."

#### Lesser conflicts

When any staff member of the business suspects a potential conflict of interest, that person must discuss the matter with his/her immediate superior. The content of the discussion as well as any decision made must be recorded on the appropriate form. The superior 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 business. 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 business's reputation, financial loss and internal erosion of ethical standards.

#### Gifts and Inducements

Gifts from Product providers: A provider/representative can receive up to a maximum of R1000.00, per calendar year, per financial service provider and/or a representative on amongst other things, entertainment, vouchers, provision of marketing materials etc. A proper record of all financial interests provided is kept.

The purpose of business gifts and entertainment in commercial settings is to create goodwill and nurture sound working relationships, rather than to gain any unfair advantage with customers and or a provider's customers. Reasonable business entertainment and customer gifts of immaterial financial interest are permitted, including promotional events, provided that the offer is consistent with usual business practice and cannot be viewed as bribe or a payoff and certainly cannot be in violation of this Policy

#### Activities Requiring Full Disclosure:

It is this business policy to avoid all possible conflicts of interest, but if this is not possible, then full disclosure of this conflict must be made in writing to our customers. Part of managing conflicts of interest is making appropriate disclosures.

Our customers will be adequately informed about any conflicts of interest that might affect the provision of financial services to them. This means providing clear, concise and effective disclosure so that customers can make an informed decision about how the conflict might affect the relevant service.

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 stop doing business or continue with the business, despite the existence of the conflict.

We, or some other person connected with us may have an interest, relationship or arrangement that is material to the service, or transaction concerned. To manage such conflicts, we require our staff members to fully disclose, and disregard when dealing with our customers:

1. Any Financial interest in any supplier, client or competitor entity.
2. Acting as an employee, officer, director, consultant, representative, or agent for a supplier, client, partner, subcontractor, or competitor.
3. Engaging in any activity that could create the appearance of a conflict of interest, which may impair the reputation of The Business for impartiality and fair dealing.

#### Recordkeeping

Written records of the Policy, staff training, how conflicts of interest are managed, together with all reports referred to, must be kept for a period of 5 years and be available for inspection by the compliance officer on request. (for example, records of disclosures made and actions taken over any breaches of policies and procedures)

The Key individual(s) are responsible for updating and to keep safe the Gifts Register.

#### Staff training and general awareness

All the business's staff must be trained on this policy. A copy of the policy will 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.

It is our policy to inform all customers of the existence of this policy, and make it available to such customers on request.

#### Management and mitigation

Firm employees are obliged to report every suspected or actual transgression of this Policy to the Firm and all employees should avoid any situation that may create or appear to create a situation which could be determined to be a conflict of interest. Once there is a conflict of interest, Firm employees may find it difficult to perform their duties and/or carry on with their work responsibilities impartially.

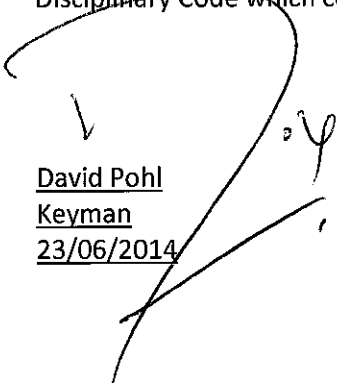
All decisions made in respect of conflict of interest situations must be reported monthly to: Dave Pohl and Estelle Earl

The executive committee of the business will review all conflicts every quarter and make recommendations regarding steps to avoid a recurrence of those aspects.

#### Corporate Governance

This Policy forms part of the risk management framework of the Company. The Risk and Compliance Department of the Company is responsible for the identification and management of any existence of conflict of interest. All queries regarding this Policy can be directed to Dave or Estelle

A violation of this Policy is a serious matter that could cause harm to the Firm and also could result in disadvantaging certain of the Firm's customers. Any employee of the Firm, who fails to comply with this Policy, will be subjected to the appropriate disciplinary proceedings in terms of the Firm's Disciplinary Code which could result in the termination of their employment with the Firm.



David Pohl  
Keyman  
23/06/2014