



CONFLICT OF INTEREST MANAGEMENT POLICY

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TABLE OF CONTENTS

- A. INTRODUCTION3
- B. FINANCIAL INTEREST4
- C. POTENTIAL COI THAT COULD AFFECT OAKHAVEN CAPITAL....4
- D. MECHANISMS FOR IDENTIFYING & RESOLVING COI4
- E. DISCLOSURE OF COI:7

- ANNEXURE A - FINANCIAL INTEREST8
- ANNEXURE B - GIFTS REGISTRY9

A. INTRODUCTION

1. This document embodies the Conflict of Interest Management Policy for *Oakhaven Capital Pty Ltd.* (hereafter referred to as *OHC*).
2. “Conflict of interest” means any situation in which *OHC* 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 *OHC* 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 *OHC* standards;
 - ii. To promote transparency and to avoid business-related COI;
 - iii. To ensure fairness in the interests of employees and *OHC*;
 - 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. *Oakhaven Capital* is committed to ensuring that all business is conducted in accordance with good business practice. To this end *OHC* 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). *OHC* and its representatives must therefore avoid (or mitigate where avoidance is not possible) any COI between *OHC* and a client or its representative and a client.

B. FINANCIAL INTEREST

1. OHC 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. *OHC* 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.

C. POTENTIAL COI THAT COULD AFFECT OAKHAVEN CAPITAL

1. The following are potential COI that could affect *OHC*:
 - i. Personal Account Trading
 - ii. Directorships /Other Employment
 - iii. Personal associations with other groups or organisations, or family relationships

D. MECHANISMS FOR IDENTIFYING & RESOLVING COI

Personal Account Trading Rules:

The terms below shall have the following meaning;

Oakhaven means Oakhaven Capital Pty Ltd.

D.1 Connected person means:

- i. A spouse or partner;
- ii. Minor children;

- iii. Any person in a business or profit sharing relationship with the employee, including partners in an Investment club;
- iv. A trust in which the employee or any person mentioned in (i) or (ii) is a beneficiary;
- v. A company in which the employee or any person mentioned in (i), (ii) or (iv) is a shareholder;
- vi. A pension fund (other than a pension fund managed by the institution) of which the employee or any person mentioned in (i), (ii) and (iii) is a beneficiary; and
- vii. Or any other accounts where the person has a direct or indirect benefit.

D.2 Employee means:

- i. Any person employed by Oakhaven
- ii. Including persons dealing on behalf of the institution or its clients,
- iii. Any person who is privy to confidential or proprietary information which could result in a conflict of interest if the employee used the information to his/her advantage, and
- iv. Includes a person on secondment or contract, and connected persons.

D.3 Rules means:

- i. The personal account trading rules enforced by Oakhaven.

D.4 Securities means:

- i. Includes "securities and financial instruments" as defined in the Securities Services Act, (Act 36 of 2004), and any unlisted instruments such as bonds, futures, options, forward rate agreements, swaps, equities and derivatives of any of these, but excludes all unit trusts other than unit trusts listed on a recognised exchange or with assets under management by Oakhaven.

D.5 General Rules Applicable to PA Trading

No employee may trade in his/her private capacity in the same market as the portfolio he is responsible for unless:

- i. All such trades are disclosed to the compliance officer or his designate in writing and their approval is obtained prior to dealing. Any such approval will be given only if the compliance officer is satisfied that the trade complies with the rules set out in this document.
- ii. Employees may not buy or sell financial instruments for their own account from or to Oakhaven or its subsidiary companies;
- iii. If the member of staff is transacting at the same time as for Oakhaven or clients, the order of transaction execution must always be client's first, Oakhaven second and own account last.

- D.6 The written declaration must include;
- i. The intent of the PA transaction, stating whether the transaction is for speculative or for investment purposes.
 - ii. The type of security.
 - iii. The nature of the transaction (i.e. purchase or sale, quantity, and proposed date and time, etc.)
 - iv. The broking firm through which the transaction will be executed, and
 - v. The identity of the counterparty for unlisted securities.
- D.7 Positions held for a period of less than 30 days will be subject to a review by the compliance officer.
- D.8 Off-market transactions in listed securities are prohibited.
- D.9 No member of staff may deal for his own account in respect of privileged or confidential information which came to his attention by virtue of his position or association with the company (whether such information relates to Oakhaven or any subsidiary or client of the group), unless such information can be regarded as generally available to the public or such information came to his attention from sources which can be regarded as generally available to the public.
- D.10 The company furthermore reserves the right to declare certain financial instruments “restricted” where, due to our privileged position in relation to clients, the group is aware of confidential information relating to that client which may affect the share price if such information were generally available to the public. During any restricted period employees may not deal in any shares subject to the restriction.
- D.11 Any member of staff wishing to trade in a personal capacity in securities for which Oakhaven is licensed to trade on behalf of clients is required to set up a client account with Oakhaven. All purchases and sales in these instruments are to be conducted through this account. The compliance officer or his designate shall have the right to question any transactions and to request any further information to satisfy him/her that these rules have been complied with.
- D.12 Any member of staff wishing to trade in a personal capacity in securities for which Oakhaven is not licensed to trade on behalf of clients is required to set up a client account with an approved intermediary or broker. Employees may not accept any credit or special dealing facilities with these approved parties.
- D.13 Directorships/Other Employment
- Prior to employment all directorships/Consultancy/Employment must be declared in writing to the compliance officer.
- If said positions put the employee in a position of conflict the employee must resign from said positions prior to beginning their role in OHC.

- D.14 Personal Associations with other groups or organizations, or family relationships.

Prior to employment all directorships/Consultancy/Employment must be declared in writing to the compliance officer.

If said positions put the employee in a position of conflict the employee must resign from said positions prior to beginning their role in OHC.

- D.15 Consequences of non-compliance with the policy by the provider's employees and representatives

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.

E. DISCLOSURE OF COI:

1. At the earliest reasonable opportunity, OHC 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, OHC 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 OHC
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.
6. 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

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.

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 –
 - a. are specifically agreed to by a client in writing; and
 - b. 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*; and
- 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