

Shackleton Risk Management Conflict of Interest Policy

Updated: May 2015

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INTRODUCTION

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Shackleton Risk Management (FSP No. 33621) is an authorised Financial Services Provider with the Financial Services Board. As an authorised FSP, the company and all employees of Shackleton Risk Management (in particularly to all FAIS Key Individuals or Representative or staff providing intermediary services) must take all required steps to eradicate any practise and or services that may create a conflict between their interest and the interest of an existing or potential client. All employees are obliged to conduct themselves in an ethical manner and in line with this policy. To ensure this internal COI policy is successfully communicated, all employees, Directors and separate bodies associated with Shackleton Risk Management are required to certify they have received, read and understand the COI policy.

STATUTORY DEFINITIONS OF COI

“Conflict of Interest” means any situation in which a provider or a representative as an actual or potential interest that may, in rendering a financial service to a client, -

- a) Influence the objective performance of his, her or its obligation to that client; or
- b) Prevent a provider or representative from rendering an unbiased and fair financial service to that client, or from acting in the best interests of that client,

Including, but not limited to –

- i) A financial interest;
- ii) An ownership interest
- iii) Any relationship with a third party;

“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 –

- a) An ownership interest
- b) Training, that is not exclusively available to a selected group of providers or representatives, on
 - i) Products and legal matters relating to those products;
 - ii) General financial and industry information;
 - iii) Specialised technological systems of a third party necessary for the rendering of a financial service; but excluding travel and accommodation associated with that training;

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“Immaterial financial interest” means any financial interest with a determinable monetary value, the aggregate of which does not exceed R1000 in any calendar year from the same third party;

“Ownership interest” means any equity propriety 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. This includes any dividend, profit share or other benefit derived from that equity or ownership interest

“Third party” means a product supplier, another provider, an associate of a product supplier or a provider, a distribution channel and any other person who in terms of an agreement provides a financial interest to a provider or its representatives.

THE OBJECTIVE OF THE COI POLICY:

The objective of the COI Policy is to provide a framework in order to address areas where conflicts of interest may arise. This policy is a guide that establishes broad principles that are essential in ensuring compliance with ethical conduct in accordance with the FAIS ACT.

IDENTIFYING CONFLICT OF INTEREST:

Shackleton Risk Management has an obligation to act fairly, independently and objectively towards the client with the intention to ensure that the clients receive unbiased and objective advice that is not influenced in any way by any incentive or interest. A conflict of interest includes any situation where the interests of Shackleton Risk Management are different from the interests of a client or business partner or where a colleague’s individual or financial interest compete with the companies or of a client/ business partner interests. Conflict of interest may well arise if Shackleton Risk Management is unable to act in the best interest of one client without adversely affecting another.

WHERE CAN POSSIBLE CONFLICT SITUATIONS ARISE WITHIN OUR BUSINESS

- i) With insurers with whom there is a business/ ownership relationship
- ii) With other FSP’S with whom there is a business/ ownership relationship
- iii) With any service providers with whom there is a business/ ownership relationship

MANAGING CONFLICT OF INTEREST

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All employees of Shackleton Risk Management must at all times render financial services honestly, and take care and diligence in the interests of clients without compromising the integrity of the financial services industry. Where such conflicts have been recognised, steps will be taken to manage the actual or potential conflict of interest and will be disclosed to all impacted parties at the earliest opportunity as per the The General Code of Conduct for the Financial Advisory and Intermediary Services Act (FAIS).

The disclosure must be made in writing to the client and contain the following information
This includes, but is not limited to:

- a) The procedures taken to avoid or mitigate the conflict;
- b) Any ownership interest or financial interest, that Shackleton or its Directors/ employees may become eligible for;
- c) The nature of any relationship or arrangement with a third party that gives rise to a conflict of interest.

CONSEQUENCE OF NON-COMPLIANCE

Company employees are obliged to notify managers of any suspected or actual transgression and employees should avoid situations determined to be a conflict of interest. Managers will then consult with the compliance officer/ department and a decision will be made as to whether these are to be avoided or mitigated and recorded accordingly. A copy of this policy will be distributed to each staff member. Shackleton Risk Management will not tolerate non-disclosure of conflict or potential conflicts of interest. Non-adherence to this policy may result in disciplinary action being taken against the employee.

CONCLUSION

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Shackleton Risk Management recognises the importance of operating in an open and transparent manner, whether this is our clients, the insurer or members of the greater business community within which we work. Shackleton Risk Management expects all employees to act professionally, honestly and ethically in all their business dealings and that they adhere to legislative requirements set out by the FSB and FICA. The directors personally take this COI policy as a statement that binds the ethics of the company and strives to act fairly in all business transactions and in decision making.