



MARIUS JACOBS FINANSIËLE DIENSTE (MJFD)

CONFLICT OF INTEREST MANAGEMENT POLICY

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Responsible Business Unit	Members

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POLICY STATEMENT

- Any reference to the “organisation” shall be interpreted to include the “policy owner”.
- The organisation’s Governing Body, its employees, volunteers, contractors, suppliers and any other persons acting on behalf of the organisation are required to familiarise themselves with the policy’s requirements and undertake to comply with the stated processes and procedures.

POLICY ADOPTION

By signing this document, I authorise the organisation’s approval and adoption of the processes and procedures outlined herein.


Name & Surname	Hermanus Jurgens Jacobs
Capacity	Member
Signature	
Date	01/03/2025



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1. DEFINITIONS

1.1 Conflict of Interest

A **Conflict of Interest** refers to any situation where a provider or their representative has an actual or potential personal interest that could:

- Compromise their ability to act objectively when providing financial services to a client, or
- Prevent them from acting fairly, impartially, and in the best interest of the client.

This includes, but is not limited to:

- Financial incentives or benefits
- Ownership in a business
- Personal or professional relationships with third parties

1.2 Financial Interest

A **Financial Interest** includes any form of reward or benefit, such as:

- Money or cash equivalents
- Vouchers, gifts, or services
- Advantages, discounts, travel (local or international), accommodation, hospitality, sponsorships, or other incentives

It **does not include**:

- Ownership in a business
- General training that is broadly available and relates to products, legal matters, industry knowledge, or essential third-party technology (excluding related travel or accommodation)
- Recognised contributions toward enterprise development by qualified entities

1.3 Immaterial Financial Interest

An Immaterial Financial Interest refers to a financial benefit with a clear monetary value that does not exceed R1 000 per calendar year, per third party, and is received by:

- A sole proprietor
- A representative for personal benefit
- A provider on behalf of itself or its representatives (if aggregated)

1.4 Ownership Interest

An **Ownership Interest** means:

- Any shareholding or stake in a business acquired at fair market value, excluding holdings managed on someone else's behalf as a nominee
- Any income or profit earned from that ownership, such as dividends or profit-sharing

1.5 Third Party

A **Third Party** includes:

- Product suppliers
- Other financial service providers
- Associates of suppliers or providers
- Distribution channels
- Anyone who provides financial benefits to a provider or its representatives through an agreement with the above parties

1.6 Associate

If the person is an individual, an associate includes:

- A spouse, life partner, or civil union partner
- Children, including stepchildren, adopted children, or children born out of wedlock
- Parents or stepparents
- Anyone legally responsible for the person's care or finances
- Business partners or commercial associates

If the person is a company or other legal entity, an associate includes:

- Any holding company, subsidiary, or fellow subsidiary
- Members of a close corporation
- Entities that would qualify as holding or subsidiary companies if they were structured as companies
- Any person or entity that controls or directs the actions of the board or governing body
- Trusts administered or controlled by the person or entity

1.7 Distribution Channel

A Distribution Channel refers to any arrangement that provides support or services to help deliver financial services, including:

- Agreements between a product supplier (or its associate) and one or more providers (or their associates)
- Arrangements between multiple providers that improve their relationship with product suppliers
- Agreements between product suppliers (or their associates) that support providers in delivering services to clients

2. PURPOSE OF A CONFLICT-OF-INTEREST MANAGEMENT POLICY

In accordance with Section 3A(2) of the General Code of Conduct for Authorised Financial Services Providers and Representatives (BN 80 of 2003), every provider (excluding representatives) is legally required to develop, maintain, and implement a Conflict-of-Interest Management Policy that complies with the Financial Advisory and Intermediary Services Act (FAIS Act), 37 of 2002.

Both providers and representatives must avoid any conflicts of interest with clients. Where such conflicts cannot be avoided, they must be effectively managed and mitigated.

Our Financial Services Provider (FSP) is committed to always acting in the best interest of our clients, avoiding any form of conflict of interest. When it is not possible to avoid such conflicts, we take proactive steps to reduce the impact and ensure full disclosure to clients.

To uphold this commitment, management has adopted this policy to effectively manage any actual or potential conflicts of interest that may arise in connection with the delivery of financial services.

Objectives of this Policy:

- To put in place internal systems and controls to identify conflicts of interest
- To define measures to avoid conflicts of interest, and explain why avoidance may not always be possible
- To outline how any unavoidable conflicts will be managed and reduced
- To ensure the transparent disclosure of conflicts of interest to clients
- To implement clear processes, procedures, and internal controls for policy compliance
- To explain the consequences of breaching this policy

3. IDENTIFYING A CONFLICT OF INTEREST

3.1 Individual Responsibility

The primary responsibility for identifying potential or actual conflicts of interest lies with:

- Representatives
- Employees
- Members of the FSP's governing body

When providing financial services, representatives must critically assess the following questions:

1. Could any situation affect my ability to act objectively in fulfilling my duties to the client?
2. Could anything prevent me from offering unbiased and fair advice to the client?
3. Is there anything that could prevent me from acting in the client's best interest?
 - If the answer to all three questions is "No", no conflict of interest exists.

- If the answer to any one of them is “Yes”, continue with the following questions:
- 4. Is this due to a current or potential relationship with a third party?
- 5. Is it due to a financial or ownership interest?

If either answer is “Yes,” a conflict of interest (actual or potential) has been identified and must be managed according to this policy.

3.2 Guidance on Identifying a Conflict of Interest

Key phrases from the definition of a conflict of interest include:

- “Influence the objective performance” of obligations to a client
- “Prevent rendering an unbiased and fair financial service”
- “Including but not limited to a financial interest”

Objective performance means acting without personal bias or emotional influence. Unbiased and fair service means advice that is impartial and treats all clients equitably under similar circumstances.

In terms of section 3A(1)(c) of the General Code of Conduct, the FSP and its representatives may only receive or provide the following types of financial interest from/to a third party:

Permissible Financial Interests:

- Commission allowed under the Long-term Insurance Act, Short-term Insurance Act, or Medical Schemes Act
- Fees authorized under those same Acts
- Fees for services not covered by commission, if:
 - The terms are agreed in writing with the client
 - The client can stop the fee at any time
- Payment for services rendered to a third party, provided:
 - The amount is reasonable and aligned with the nature and quality of the service
 - No duplicate compensation is received for the same service
 - Any conflicts between the provider and the client are mitigated
 - The payment does not compromise the fair treatment of the client
- Immaterial financial interests (not exceeding R1 000 per calendar year)
- Financial interests received at fair market value

Prohibited Practices:

The FSP may not offer incentives to its representatives that:

- Are based only on the volume of business without regard to client outcomes
- Encourage recommending one product supplier over others when multiple options exist
- Encourage favouring one product over another from the same supplier

The FSP must prove that any performance-based remuneration considers:

- Minimum service standards
- Client outcome fairness
- Compliance with legislation

These indicators must carry enough weight to prevent bias based purely on business volume.

3.3 Internal Controls for Conflict Identification

To identify and manage conflicts of interest, the FSP has implemented the following controls:

- Annual reviews of all third-party contracts to assess potential impacts on:
 - Objective performance
 - Fairness and impartiality
 - Acting in the client's best interest
- Annual reviews of all ownership interests involving third parties to assess possible influence
- Quarterly Conflict of Interest Declarations completed by all relevant staff to assist with identification
- Annual updates of the following lists (attached as annexures):
 - Associates of the FSP
 - Third parties in which the FSP holds ownership
 - Third parties that hold ownership in the FSP
- A Gift Register is maintained to track all gifts valued at R500 or more, which is stored in the FSP's Compliance Manual
- All key individuals and representatives must immediately disclose in writing any conflict of interest to the governing body and the Compliance Officer upon becoming aware of it

4. AVOIDING AND MITIGATING CONFLICTS OF INTEREST

Once a conflict of interest—actual or potential—has been identified, the following procedure must be followed to determine whether it can be avoided:

- The FSP's governing body will convene to assess the conflict transparently and objectively.
- All relevant facts that led to the conflict must be disclosed to both the governing body and the FSP's compliance officer.
- A decision will be made by majority vote of the governing body as to whether the conflict can be avoided.
- In making this decision, the following factors will be considered:
 - The potential adverse impact on clients if the conflict is deemed unavoidable.

- The possible harm to the integrity of the financial services industry should the conflict remain unresolved.

If the conflict is deemed avoidable:

- The cause of the conflict will be addressed and eliminated as soon as reasonably possible.
- Any negative impact on clients while resolving the issue will be minimized.
- The rationale for why the conflict was considered avoidable will be documented in the Compliance Manual.
- Similar situations will be proactively avoided in the future.

If the conflict is deemed unavoidable:

- The governing body, together with the compliance officer, will determine mitigation measures to reduce the impact of the conflict as much as reasonably possible.
- The reasons for the conflict being unavoidable will be documented in the Compliance Manual.

Ongoing mitigation measures will include:

- Continuous reassessment of the status of the conflict to determine whether it remains unavoidable.
- If a previously unavoidable conflict becomes avoidable, immediate action will be taken to resolve it.
- All representatives will be informed of the conflict and the reasons it could not be avoided.
- Representatives must disclose any actual or potential conflict in writing to clients at the time of rendering financial services.
- The FSP or compliance officer will report on the conflict's status in the compliance report submitted to the Financial Sector Conduct Authority (FSCA).

5. DISCLOSURE OF CONFLICTS OF INTEREST

While disclosure alone may not fully resolve conflicts of interest, it is a critical component of effective conflict management. The FSP is committed to full transparency with clients regarding any actual or potential conflicts.

The following disclosure measures have been adopted:

- Conflicts of interest must be disclosed to clients at the earliest reasonable opportunity.
- Disclosure must be in writing and may be communicated via appropriate electronic channels.
- The nature of any relationship or arrangement with a third party that results in a conflict of interest must be clearly stated.
- Disclosures must be detailed enough to allow clients to understand the nature and impact of the conflict.

- Any actions taken to avoid or mitigate the conflict must be included in the disclosure.
- Any ownership or financial interests (excluding immaterial interests) that the FSP or its representatives may receive must be disclosed.
- Clients must be informed of the existence and availability of the FSP's Conflict-of-Interest Management Policy, including how to access it.
- Additional services that we render include Testaments and Estate Planning.

6. COMPLIANCE MEASURES

Responsibility for ensuring compliance with this policy lies with the FSP's governing body, supported by the appointed Compliance Officer who monitors adherence on an ongoing basis.

The FSP has adopted the following compliance controls:

- The Conflict-of-Interest Management Policy will be included in the FSP's Compliance Manual.
- All new employees and representatives must read and understand the policy as part of their induction.
- All relevant personnel and, where applicable, associates must be familiar with the policy, with training provided as necessary.
- Conflict-of-interest declarations must be completed quarterly by relevant personnel.
- Any concerns about potential or actual conflicts must be referred to the Compliance Officer without delay.
- An up-to-date annexure of the FSP's associates will be maintained and reviewed annually.
- A list of all entities in which the FSP holds ownership interests—and vice versa—will be annexed and reviewed annually.
- A Gift Register will be maintained to record all third-party gifts with an estimated value of R500 or more.
- Proper disclosures must be made to clients when conflicts of interest are identified.
- The Compliance Officer will periodically review and update the policy to ensure its effectiveness.
- The policy will be made available to the public during normal business hours.
- The policy will be formally reviewed at least once a year.

7. CONSEQUENCES OF NON-COMPLIANCE

Failure by an employee or representative to disclose an actual or potential conflict of interest through proper channels will result in an internal investigation. The FSP will take any necessary actions to protect the interests of clients, the business, and other stakeholders.

If an investigation confirms non-disclosure, disciplinary action will follow immediately. This may include corrective action or dismissal, depending on the severity of the breach. Non-compliance with the Conflict-of-Interest Management Policy will be regarded as serious misconduct.

ANNEXURE A: LIST OF ASSOCIATES

NAME OF FSP ASSOCIATE	NATURE OF RELATIONSHIP
Allan Gray	Intermediary
Sanlam	Intermediary
Old Mutual	Intermediary
Liberty	Intermediary
Discovery	Intermediary
Momentum	Intermediary
Bidvest	Intermediary
PPS	Intermediary
Hollard	Intermediary
Metropolitan	Intermediary
Brightrock	Intermediary
Sirago	Intermediary
Stratum	Intermediary
Medihelp	Intermediary
Fedhealth	Intermediary
Bestmed	Intermediary
Profmed	Intermediary
Bonitas	Intermediary
Turnberry	Intermediary
Santam	Intermediary
Auto General	Intermediary
Western	Intermediary
Tracker	Intermediary

Key Individual Signature:




Date:

01/03/2025



ANNEXURE B: OWNERSHIP INTERESTS HELD BY THE FSP

NAME OF THIRD PARTY	NATURE AND EXTENT OF OWNERSHIP INTEREST
NA	

Key Individual Signature:	
Date:	01/03/2025