CONFLICT OF INTEREST MANAGEMENT POLICY

Admin Focus Underwriting Managers (Pty) Ltd (FSP 50086) — in respect of the FlexiFocus platform, underwritten by Bryte Insurance Company Limited

1. Purpose and legislative basis

Section 3A(2)(a) of the General Code of Conduct for Authorised Financial Services Providers and Representatives, issued under the Financial Advisory and Intermediary Services Act 37 of 2002 ("FAIS Act"), requires every financial services provider, other than a representative, to adopt, maintain, and implement a conflict of interest management policy. This policy is issued in line with the General Code of Conduct and Board Notice 58 of 2010, and sets out how AFUM identifies, avoids, mitigates, and discloses conflicts of interest so that clients receive fair, unbiased financial services.

2. Application

This policy applies to all directors, key individuals, employees, and representatives of AFUM, and to brokers and other third parties who render financial services in respect of FlexiFocus policies. It applies whenever a FAIS-regulated financial service is rendered, and does not apply to financial services exempt from the FAIS Act, or to ordinary procurement of goods and services unrelated to financial services (for example, office supplies).

3. Key definitions

Conflict of interest — any situation in which AFUM, a representative, or a broker has an actual or potential interest that may, in rendering a financial service to a client, influence the objective performance of their obligations to that client, or prevent them from rendering an unbiased and fair financial service, or from acting in the client's best interests.

Financial interest — any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, or other incentive or valuable consideration, other than an ordinary fee or remuneration for services rendered.

Immaterial financial interest — a financial interest of R1 000 or less from any one third party in any calendar year.

Ownership interest — any equity or proprietary interest, including any debt instrument that has an equity component, in a corporate or unincorporated entity, as defined in the General Code of Conduct.

Associate — as defined in the General Code of Conduct, includes a spouse or life partner, a person's dependants, and any entity in which a person or their associate has a controlling interest or is otherwise closely connected.

Third party — a product supplier, another FSP, an associate of a product supplier or FSP, a distribution channel, or any person who provides financial or other interests to AFUM or its representatives because of any arrangement connected to rendering a financial service.

4. Policy statement

AFUM must avoid conflicts of interest wherever possible. Where a conflict cannot be avoided, it must be mitigated, and AFUM must act with circumspection and treat the client fairly. Where a conflict exists or may arise, AFUM must disclose it to the client in writing, at the earliest reasonable opportunity, including the measures taken to avoid or mitigate the conflict and details of any financial or ownership interest involved, other than an immaterial financial interest.

5. Identifying a conflict of interest

The following factors, among others, are considered when assessing whether an actual or potential conflict of interest exists:

- Whether AFUM, a representative, or a broker (or an associate of any of them) stands to receive a financial or ownership interest as a result of a recommendation or transaction

- Whether a product supplier's incentive structure could influence which product is recommended to a client
- Whether a representative has an association with a third party that could reasonably be expected to influence their advice
- Whether the arrangement rewards the quantity of business placed rather than fair client outcomes

6. Managing and mitigating conflicts

1. All financial interests offered or received in connection with rendering a financial service must be assessed against the thresholds in Section 7 before being accepted.
2. Where a conflict is identified, it must be disclosed to the affected client in writing before, or as soon as reasonably possible after, the financial service is rendered.
3. No director, key individual, employee, or representative of AFUM may give preference to a product supplier, product, or transaction because of a financial or ownership interest, where doing so would not be in the client's best interest.
4. No sign-on bonus may be offered or accepted as an incentive for any person to become a Category I representative authorised to render advice.
5. Representatives must consider more than one product or product supplier where reasonably possible, and this must be reflected in the record of advice provided to the client.

7. Gifts, hospitality, and financial interest thresholds

Situation	Rule
Immaterial financial interest from a single third party in a calendar year	Permitted up to R1 000 per third party per calendar year. Must still be logged in the Conflict of Interest and Gifts Register regardless of value.
Financial interest exceeding R1 000 per third party per calendar year	May not be received or offered, unless it falls under a specific exclusion in the General Code of Conduct (e.g. training, certain sponsorships).
Sign-on bonus to a Category I representative	Prohibited outright — may not be offered or accepted as an incentive to become a representative authorised to give advice.
Incentive tied to volume of business	An FSP may not offer any financial interest to a representative for giving preference to the quantity of business secured to the exclusion of fair client outcomes.

8. The Conflict of Interest and Gifts Register

AFUM maintains a Conflict of Interest and Gifts Register recording every financial interest offered, given, or received by a director, key individual, employee, or representative in connection with a financial service, regardless of value. Entries must be made within a reasonable time of the interest being offered or received, and the register is available to AFUM's compliance function and, on request, to the Financial Sector Conduct Authority.

9. Roles and responsibilities

Key Individual: responsible for overseeing compliance with this policy and for approving any exception.

Compliance Officer: maintains the Conflict of Interest and Gifts Register, provides guidance on borderline situations, and reports material conflicts to the Key Individual.

All directors, employees, and representatives: responsible for identifying potential conflicts as they arise, declaring them promptly, and completing an annual Declaration of Interest, updated immediately if circumstances change.

10. Training

All directors, key individuals, employees, and representatives receive training on this policy and on identifying conflicts of interest at induction and annually thereafter.

11. Non-compliance

Failure to comply with this policy will be treated as a disciplinary matter and may result in debarment proceedings in respect of a representative, in line with the FAIS Act, with the Financial Sector Conduct Authority informed as required.

12. Review

This policy is reviewed annually, and whenever there is a material change in AFUM's business, its arrangements with product suppliers or brokers, or the General Code of Conduct itself.

13. Contact

Admin Focus Underwriting Managers (Pty) Ltd — FSP 50086

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