

**CONFLICT OF INTEREST MANAGEMENT
POLICY DOCUMENT FOR THE
GLOBAL ADMINISTRATORS &
PRIME INVESTMENTS GROUP OF COMPANIES**

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This policy is applicable to all legal entities within the Global Administrators and Prime Investments Group of Companies (hereafter referred to as “the Group”)

- Global Administration Companies:
 - Global Independent Administrators (Pty) Ltd
 - Global Fund Administrators (Pty) Ltd
 - Ascent Capital (Pty) Ltd
- Prime Investment Companies:
 - Prime Investment Management Services (Pty) Ltd
 - Prime Collective Investment Schemes Management Company (Pty) Ltd
 - Prime Alternative Investments (Pty) Ltd
 - PAI Holdings (Pty) Ltd
- Retirement Funds
 - Prime Preservation Pension Fund
 - Prime Preservation Provident Fund
 - Prime Retirement Annuity Fund
 - Prime Umbrella Pension Fund
 - Prime Umbrella Provident Fund
 - Prime Unclaimed Preservation Pension Fund
 - Prime Unclaimed Preservation Provident Fund

1. INTRODUCTION

- 1.1 The purpose of this document is to document the Group’s commitment to establishing and maintaining a Conflict of Interest Management Policy.
- 1.2 The Group will maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to identify, monitor and manage conflicts of interest.
- 1.3 The Group has put this policy in place to safeguard its clients’ interests and ensure fair treatment of clients.
- 1.4 The key information is summarised below. Detailed information can be obtained on request from the Group, the compliance officer or key individual who is responsible to monitor and manage conflict of interest on behalf of the Group.

2. OUR OBJECTIVES

- 2.1 The Financial Services Providers (FSP’s) within the Group are authorised category I, II and III Financial Services Providers and Prime Collective Investment Services (Pty) Ltd is a duly registered and appointed as a Manager of Collective Investment schemes in Securities in terms of the Collective Investments Schemes Control Act.
- 2.2 Like any FSP or CIS Manager, the Group companies are potentially exposed to conflicts of interest in relation to various activities.
- 2.3 However, the protection of our clients’ interests is our primary concern and so our policy sets out how:
 - 2.3.1 We will identify circumstances which may give rise to actual or potential conflicts of interest entailing a material risk of damage to our clients’ interests;
 - 2.3.2 We have established appropriate structures and systems to manage those conflicts; and
 - 2.3.3 We will maintain systems in an effort to prevent damage to our clients’ interests through identified conflicts of interest.

3. CONFLICT OF INTEREST

- 3.1 The Group strives towards ensuring it is able to appropriately and effectively identify and manage potential conflicts.
- 3.2 It may manage potential conflicts through avoidance, establishing confidentiality barriers and by providing appropriate disclosure of the conflict to affected clients.
- 3.3 In determining whether there is or may be a conflict of interest to which the policy applies, the Group considers whether there is a material risk of damage to the client, taking into account whether the Group or a Group representative, associate or employee:
- 3.3.1 is likely to make financial gain, or avoid a financial loss, at the expense of the client;
 - 3.3.2 has an interest in the outcome of a service provided to the client, which is distinct from the client's interest in that outcome;
 - 3.3.3 has a financial or other incentive to favour the interest of another client, group of clients or any other third party over the interests of the client;
 - 3.3.4 receives or will receive from a person other than the client, an inducement in relation to a service provided to the client in the form of monies, goods or service, other than the legislated commission or reasonable fee for that service.
- 3.4 Our policy defines possible conflicts of interest as, *inter alia*:
- 3.4.1 conflicts of interest between the Group and the client;
 - 3.4.2 conflicts of interest between our clients if we are acting for different clients and the different interests conflict materially;
 - 3.4.3 conflicts of interest where associates, product suppliers, distribution channels or any other third party is involved in the rendering of a financial service to a client;
 - 3.4.4 holding confidential information on clients which, if we would disclose or use would affect the services provided to clients.

4. COMPLIANCE

- 4.1 The Group's compliance function is established as part of its risk management framework.
- 4.2 It is the responsibility of all employees and or representatives of the Group to maintain the good name and standing of the Group by conducting themselves professionally and in accordance with all rules, regulations and legislation which govern the Group.
- 4.3 Compliance with all rules, regulations and legislation is the individual responsibility of each employee. Each employee and or representative must accept personal responsibility for behaving correctly and in accordance with this policy. Likewise, each employee and or representative is obliged to stop or prevent any actions that are contrary to the content of this Policy and which could cause any harm to the Group as a result.
- 4.4 Non-compliance with this policy will be subject to our disciplinary procedures and necessary action will be taken against employees and representatives. This may result in the debarment and/or dismissal of employees and representatives.
- 4.5 Avoidance, limitation or circumvention of this policy through whatever means will also be seen as non-compliance.

5. MEASURES AIMED AT AVOIDING OR MITIGATING CONFLICT OF INTEREST

- 5.1 The Group's employees and representatives should avoid engaging in activities which will result into a conflict of interest.
- 5.2 If a Group employee and or representative realise that there is a potential or actual conflict of interest, the employee and or representative must, timeously and fully disclose any such potential or actual existence of a conflict to the Group by reporting same to their immediate superior. This will enable the Group to decide whether or not to engage with the employee/transgressor in question.
- 5.3 The Group's employees and representatives who are faced by what is clearly a conflict of interest situation, must desist from continuing with any participation in such situation or activities. Should any employee and or representative not be certain about an intended transaction of theirs being a possible transgression of this Policy, the employee must approach the Company's Compliance Department who will evaluate the intended transaction and give guidance.
- 5.4 Specific monetary measures we focus on:
- 5.4.1 we may only receive commissions authorised in terms of applicable legislation; or
 - 5.4.2 fees authorised in terms of applicable legislation, or fees or remuneration for services rendered to a third party, if those fees are reasonably commensurate to the service being rendered; or
 - 5.4.3 fees for the rendering of a service in respect of which commission or fees above is not paid, if those fees are specifically agreed to by a client in writing and may be stopped at discretion of the client; or
 - 5.4.4 a limited immaterial financial interest as defined; or
 - 5.4.5 a financial interest for a consideration or fair value that is reasonably commensurate to the value of the financial interest that is paid by the provider or representative at time of receipt thereof.
- 5.6 We will not offer any financial interest to any representative for:
- 5.6.1 giving preference to the quantity of business secured for the provider to the exclusion of quality service;
 - 5.6.2 giving preference to a specific product supplier where more than one supplier can be recommended to a client;
 - 5.6.3 giving preference to a specific product of a supplier where more than one product of that supplier can be recommended.
- 5.7 The measures the Group have adopted to manage identified conflicts are further summarized below. We consider them appropriate to our efforts to take reasonable care that, in relation to each identified potential conflict of interest, we act impartially to avoid a material risk of harming clients' interest:
- 5.7.1 **Procedures:**
We have adopted appropriate procedures throughout our business to manage potential conflict of interest. Our representatives, associates and employees receive guidance and training in these procedures and they are subject to monitoring and review processes. There are specific measures and consequences in place for non-compliance with our conflict of interest policy.
 - 5.7.2 **Confidentiality:**
Our representatives, associates and employees respect the confidentiality of client information and disclose or use it with circumspect. No such information may be disclosed to a third party without the written consent of a client.
 - 5.7.3 **Monitoring:**
The key individual or compliance officer in charge of supervision and monitoring of this policy will regularly provide feedback on all related matters and this policy will be reviewed annually.

5.7.4 **Disclosure:**

Where there is no other way of managing a conflict, or where the measures in place do not sufficiently protect clients' interests, the conflict must be disclosed to allow clients to make an informed decision on whether to continue using our service in the situation concerned. In all cases, where appropriate and where determinable, the monetary value of non-cash inducements will be disclosed to clients.

5.7.5 **Publication:**

We will publish our conflict of interest management policy in appropriate media and ensure that it is easily accessible for public inspection at all reasonable times.

5.7.6 **Report:**

The provider, compliance officer or key individual will include a report on the conflict of interest management policy in the annual and bi-annual FAIS compliance reports submitted to the Registrar.

5.7.7 **Declining to Act:**

We may decline to act for a client in cases where we believe the conflict of interest cannot be managed in any other way.

6. PARTICULAR MANAGEMENT MEASURES

6.1. **Identification of conflict of interest:**

We will create awareness and knowledge of applicable stipulations of the General Code of Conduct and other relevant legislation relating to conflict of interest, through training and educational material.

6.2 We will ensure understanding and adoption of this conflict of interest management policy and management measures by all directors, representatives and associates.

6.3 We will do regular inspection on all commissions, remuneration, fees and financial interests proposed or received in order to avoid non-compliance.

7. LIST OF ASSOCIATES

Name	Relationship
Lamda Holdings (Pty) Ltd	Holding Company
Global Independent Administrators (Pty) Ltd	Group Company
Global Fund Administrators (Pty) Ltd	Group Company
Global Asset Administrators (Pty) Ltd	Group Company
Global Administrative Financial Services (Pty) Ltd	Group Company
Prime Investment Management Services (Pty) Ltd	Group Company
Global Nominees	Group Company
Prime Collective Investment Schemes Management Company (Pty) Ltd	Group Company
Prime Alternative Investments (Pty) Ltd.	Group Company

8. **OWNERSHIP INTERESTS IN THIRD PARTIES**

Name	Nature of Interest	Extent of Interest
Not applicable		

9. **THIRD PARTIES WITH OWNERSHIP INTEREST IN PROVIDER**

Name	Nature of Interest	Extent of interest
Fundamental Software (Pty) Ltd	Shareholding	20% in GAA