In terms of Board Notice no. 58 of 2010, published on 19 April 2010

Every provider (other than a representative) must adopt, maintain and implement and conflict of interest management policy that complies with the provisions of FAIS.

“Conflict of interest” is defined as being any situation in which a provider or a representative has an actual or potential interest which may when rendering a financial service to a client;

a) influence the objective performance of obligations to a client; or

b) prevent the provider or representative from rendering unbiased financial service to a client or from acting in the interest of a client.

It should be noted that such interest may be direct or indirect and include;

1. a financial interest
2. an ownership interest
3. any relationship with a third party

Client Funds

In order to ensure that Mc Arthur FPS cc, its member, key individuals, employees or agents observe the utmost good faith and exercise proper care and diligence when investing, holding, keeping in safe custody, controlling or administrating all funds of clients such persons may not alienate, invest, pledge, hypothecate or otherwise encumber or make use of client funds or trust property or in any way furnish any guarantees designed to gain directly or indirectly any improper advantage for himself/herself or for any other person to the prejudice of the client.

Any breach of the above requirement will lead to the instant dismissal of the staff member concerned.

The independent compliance officer will be immediately advised of any such breach with the purpose of advising the registrar to amend the appropriate register.

Declaration of Interest

All members, key individuals or representative of Mc Arthur FPS cc who take part in any decision to invest the funds of a client in any company or other undertaking in which he/she has a direct or indirect interest, must declare that interest in writing to the members of Mc Arthur FPS cc indicating the nature and extent of such interest, before any such decision is made.

The declarations made in this regard must be reflected in the minutes of the meeting of the members of Mc Arthur FPS cc.

The members have an obligation to review all such declarations at an interval of not more than 1 week.

Personal Trading

In order to assist in the identification of any potential conflict of interest as defined all key individuals and representatives of Mc Arthur FPS cc are required to conduct all personal trading through a stock broker nominated by Mc Arthur FPS cc.

All key individuals and representative must agree that the nominated stock broker be permitted to provide Mc Arthur FPS cc with detailed trading schedules of each key individual and/or representative.

All key individuals and/or representatives who have any interest in any financial product in which the client is trading is prohibited from trading therein until such time that all orders pertaining to the client have been completed.

Client Investment Decisions

Where decisions have to be made by a client with respect to their investments (i.e. a non discretionary client or an advice only client) the client must be fully advised of the interest that the key individual and/or representative holds in the financial product concerned.

Such disclosure to the client should be writing and preferably counter signed by the client and thereafter minutered by the members of Mc Arthur FPS cc.

Representatives

Representatives of Mc Arthur FPS cc qualify for a proportion of the upfront fee payable to Mc Arthur FPS cc by the clients.

This fee is payable by the client irrespective of the product supplier utilized in affecting the clients investments and therefore cannot be motivated by any preference for any specific product supplier.

Associates

The members and key individuals of Mc Arthur FPS cc are Mrs Carol-Anne Mills and Mr Dennis Arthur Schwulst who are hereby named as associates in keeping with the definition included in the General Code of Conduct as published.

It should be noted that Mc Arthur FPS cc does not hold any interest in the ownership of any third party.

Availability

A copy of this Conflict of Interest Management Policy is available for inspection at the offices of Mc Arthur FPS cc at Unit 6, 1st floor, Gabriel Place, 1 Gabriel Rd, Plumstead, during normal business hours.