

CONFLICT OF INTEREST POLICY

1. **PURPOSE**

- 1.1 This policy is aimed at assisting Garrun and its employees identify potential and actual conflicts of interests and for Garrun to manage it appropriately.
- 1.2 It provides clear guidelines and rules, and outlines the procedures to be followed to ensure that an identified conflict of interest does not cause Garrun or any of its Representatives to act in contravention of the Financial Advisory and Intermediary Services Act ("FAIS") and the General Code of Conduct ("GCoC").

2. **DEFINITIONS**

Conflict of Interest	Includes any situation in which Garrun, including all its financial services providers (FSPs) and its FAIS-affected employees, has an actual or potential interest that may influence the relationship with a client and/or an insurer. A conflict of interest may arise where a financial interest, an ownership interest or any relationship with a third party affects the objectivity of the service provider For the purposes of this policy, the definition of 'conflict of interest' includes and is not narrower than the definition set out in the GCoC
Financial Interest	Includes any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship and/or any other incentive or valuable consideration
FAIS	Financial Advisory and Intermediary Services Act, 37 of 2002
Garrun	Means Garrun Group (Pty) Ltd and includes any Garrun Group company that has been issued with a FAIS license or that performs activities governed by FAIS and any person that has the power to influence the strategy of any such company, whether or not such person is a Key Individual or Representative, and whether acting individually or with others
Immaterial Financial Interest	Means any financial interest received from a third party of a readily determinable monetary value that, when combined or aggregated, is not higher than R1 000 per calendar year from that third party
Third Party	Includes another financial services provider, a service provider, an associate of a financial services provider, a distribution channel, or any person who provides a financial interest to Garrun or its Representatives

3. KEY PRINCIPLES

- 3.1 Garrun is committed to avoiding and, where this is not possible, mitigating any conflict of interest that may arise between ourselves, as a financial services provider (“FSP”), and our clients when rendering a financial service.
- 3.2 FAIS and the GCoC require that an FSP must at all times render financial services honestly, fairly, with due skill, care and diligence with the interests of clients and the integrity of the financial services industry as a whole in mind.

4. FINANCIAL INTERESTS

4.1 Allowable Financial Interests

- 4.1.1 The following allowable financial interests have to be disclosed internally in Garrun’s gift register:-
- i. promotional items (with a value of no more than R1 000 per Representative/Key Individual in any given year); and
 - ii. any other financial interest with a determinable monetary value not exceeding R1 000 per FAIS Representative/Key Individual in any given year.
- 4.1.2 The following allowable financial interests have to be disclosed directly to affected clients and/or insurers and disclosed internally in Garrun’s conflict of interest register:-
- i. ownership interest;
 - ii. directorships in other companies; and
 - iii. fees received from product providers which affects the fees payable by the client or which could potentially influence the advice process.

4.2 Disallowed Financial Interest

- 4.2.1 Financial interest to a Representative or to a product provider for giving preference to:-
- i. the quantity of business secured without due regard to the delivery of fair outcomes for clients;
 - ii. a specific product supplier where a Representative/Key Individual may recommend more than one product supplier to a client; and/or
 - iii. a specific product of a product supplier where an employee may recommend more than one product of that supplier to a client.
- 4.2.2 Any financial interest excluding immaterial financial interests; and

4.2.3 Any other financial interest other than allowable financial interests listed above that are immaterial financial interests i.e. with a determinable monetary value exceeding R1 000 per Representative/Key Individual in any given year; and

4.2.4 Training restricted to a selected group of Representatives on, including but not limited to, products and legalities thereof, general financial and industry information, specialised technological systems (of a third party) necessary for rendering a financial service.

5. PROCEDURE

5.1 Reporting and Record Keeping

5.1.1 Both a Gifts Register for allowable financial interests (Annexure A) and a Conflicts of Interests Register for Ownership Interests, Directorships and Disallowed Financial Interests (Annexure B) have been implemented.

5.1.2 The Company's Compliance Assistant will act as the custodian of both the Gifts Register and the Conflicts of Interests Register.

5.1.3 Each Representative has a duty to report any immaterial financial interest provided provided or received, to the custodian of the Gifts Register within 1 week of giving/receiving such a gift. The custodian shall report to the Managing Director of the particular Garrun FSP as soon as the aggregate financial interest given or received by any one Representative from that product provider or third party reaches R1 000 in that particular year.

5.2 Key Individual Authorisation

5.2.1 A financial interest with a monetary value of more than R1 000 constitutes a material conflict.

5.2.2 As such, and prior to giving and/or receiving such financial interest, the Representative must obtain the written consent for such gift from the Key Individual of the specific Garrun FSP in which they are mandated. Such an instance must be recorded in the Conflicts of Interest Register.

5.3 Annual Key Individual and Representative Disclosure

5.3.1 All Key Individuals and Representatives will be required to complete the "Conflicts of Interest Declaration" which will be distributed on BambooHR on annual basis.

5.3.2 The Conflicts of Interest register will be updated and reviewed from time to time.

5.3.3 If it has been established that a particular situation or activity gives rise to a conflict of interest, such a situation must be avoided.

5.3.4 If such a conflict of interest is inevitable, it is the responsibility of the Managing Director of each Garrun FSP to ensure that the effect of the conflict is mitigated by disclosing the conflict of interest to the relevant client(s).

5.4 **Disclosure Requirements**

5.4.1 Garrun must disclose to a client in writing and as soon as possible all conflicts of interest that could affect that client. The disclosure must set out and describe:

- i. the facts and circumstances giving rise to the conflict of interest;
- ii. measures taken to avoid or mitigate the conflict of interest;
- iii. any ownership interest or financial interest that Garrun could become eligible for; and
- iv. the nature of a relationship or arrangement with a third party that gives rise to a conflict of interest, so that the client understands the nature of the conflict of interest.

6. **CONSEQUENCE OF NON-ADHERENCE**

6.1 Violation of this policy will result in appropriate disciplinary action

7. **REVIEW**

7.1 This policy shall be reviewed annually and any changes to this policy shall be communicated to all staff.

8. **VERSION CONTROL AND APPROVAL**

Version	Date Approved	Reference
1.0	22 February 2023	Compliance Department

ANNEXURE A

ANNEXURE A1: GIFTS REGISTER – GIFTS RECEIVED
(For all immaterial financial interests)

GIFTS REGISTER – PERIOD ENDING 1 MARCH 2024				
Date	Value of Gift	Name of Gift Recipient	Company Name Who Has Given the Gift	Description of Gift and Reason Given

ANNEXURE A2: GIFTS REGISTER – GIFTS GIVEN
(For all immaterial financial interests)

GIFTS REGISTER – PERIOD ENDING 1 MARCH 2024				
Date	Value of Gift	Name of Gift Recipient	Name of Employee Giving the Gift	Description of Gift and Reason for Being Given

