

POLICY ON CONFLICTS OF INTEREST

1. The objective of the COI policy is to provide a framework within which FFG can address areas where conflicts of interest may arise. It aims to establish broad principles and guidance. In conjunction with FFG Values, this policy aims to promote TCF and fairness in the interest of Employees and suppliers.
2. ANNEXURE F: PROCEDURE FOR CONFLICT OF INTEREST MANAGEMENT sets out mechanisms for the identification of COI, measures for the avoidance thereof, measures for disclosure and internal control and other provisions.
3. This policy is available at <http://www.ffg.co.za/>.
4. Regarding the type and the basis on which FFG and its Reps will qualify for a financial interest, they will only receive or offer the following financial interest from or to a third party:
 - a. Commission authorised in terms of the Long-term Insurance Act (No. 52 of 1998), the Short-term Insurance Act (No. 53 of 1998) or the Medical Schemes Act (No. 131 of 1998). Commission is strictly monetary amounts paid to a provider, designated as such, and determined on a basis specified prior to payment.
 - b. Fees authorised in terms of the Long-term Insurance Act, the Short-term Insurance Act or the Medical Schemes Act if those fees are reasonably commensurate to a service being rendered.
 - c. Fees for the rendering of a financial service in respect of which commission or fees referred to above are not paid, if those fees are specifically agreed to by a client in writing; and may be stopped at the discretion of the client.
 - d. Fees or remuneration for the rendering of a service to a third party, which fees or remuneration are reasonably commensurate to the service being rendered.
 - e. Subject to other legislation, an immaterial financial interest;
 - f. A financial interest not referred to in paragraphs a. to e. above, for which a consideration, fair value or remuneration that is reasonably commensurate with the value of the financial interest, is paid by FFG or its Reps at the time of receipt thereof.
5. The following may be offered:
 - a. Services that are essential in enabling FFG to prepare, submit and/or finalise transaction documentation, unless it would influence FFG in the objective performance of its functions or in the rendering of an unbiased service.
 - b. Services that are not essential in enabling the provider to do business with FFG, but which offer the provider value in terms of enhancing or supplementing its interaction with clients if there is clear proof of benefiting the client and there is no conflict of interest.
6. FFG shall not offer any financial interest to its Reps for:
 - a. giving preference to the quantity of business secured to the exclusion of the quality of the service rendered to clients;
 - b. giving preference to a specific product supplier, where a Rep may recommend more than one product supplier to a client; and/or
 - c. giving preference to a specific product of a product supplier, where a Rep may recommend more than one product of that product supplier to a client.

Employees' failure to provide disclosures will be a transgression of the provisions of This Document and will be dealt with in terms of the company's disciplinary procedures. Certain transgressions of this policy may result in civil action or criminal prosecution. All potential transgressions of this policy must be investigated fairly and objectively and, if deemed serious, be reported by the CO to Exco for a decision.