

TURLOV FAMILY OFFICE SECURITIES (PTY) LTD

CONFLICT OF INTEREST MANAGEMENT POLICY

February 2024

Date of issue/update	Created: January 2024	Version	1
Policy owner	Legal Department		
Approved by	Director	01/02/2024	

Contents

4.1	HOW TO IDENTIFY COI:	5
4.2	RESOLVING COI OR POTENTIAL COI:	5
4.3	MEASURES TO AVOID COI:	6
4.4	DISCLOSURE OF COI:	8
5	HOUSEKEEPING OF THIS DOCUMENT:	8
6	LIST OF ALL TURLOV FAMILY OFFICE SECURITIES (PTY) LTD ASSOCIATES:..	9
7	NAMES OF ANY THIRD PARTIES IN WHICH TURLOV FAMILY OFFICE SECURITIES (PTY) LTD HOLD AN OWNERSHIP INTEREST:	9
8	NAMES OF ANY THIRD PARTIES THAT HOLDS AN OWNERSHIP INTEREST IN TURLOV FAMILY OFFICE SECURITIES (PTY):.....	9
9	LIST NATURE AND EXTENT OF OWNERSHIP INSERT REFERRED TO IN POINT 7 AND 8.....	9
	Annexure A- Accepted financial interest as amended	10
	Annexure B – Gift register	11

1. INTRODUCTION:

At Turlov Family Office Securities (Pty) Ltd (“the FSP”) we are committed to upholding the highest standards of ethical conduct in all aspects of our business operations. As part of our dedication to maintaining trust and confidence with our clients, stakeholders, and the broader community, we have implemented a Conflict of Interest Policy.

This policy is designed to ensure that all employees, directors, and representatives of Turlov Family Office Securities (Pty) Ltd understand their obligations to identify, disclose, and manage conflicts of interest effectively. We recognize that conflicts of interest may arise in various forms and contexts, including personal interests, financial arrangements, and professional relationships.

The policy aims to comply with the best practice and statutory requirements as per the General Code of Conduct for Financial Services Providers and Representatives published in Board Notice 80 of 2003 as amended by Board Notice 58 of 2010 as well as other applicable requirements as set out in the Financial Advisory and Intermediary Services Act, 37 of 2002 (“FAIS”).

2. PURPOSE:

This policy aims to:

1. Provide guidance to employees, directors, and stakeholders on identifying situations that may give rise to conflicts of interest.
2. Provide guidance on the behaviours expected in accordance with Turlov Family Office Securities (Pty) Ltd standards;
3. Promote transparency in business operations by addressing conflicts of interest in a fair and consistent manner.
4. Document the process for the disclosure, approval and review of activities that may amount to actual, potential or perceived COI;
5. Provide mechanisms for the objective review of personal outside interests.

Turlov Family Office Securities (Pty) Ltd is committed to ensuring that all business is conducted in accordance with good business practice. To this end Turlov Family Office Securities (PTY) Ltd conducts business in an ethical and equitable manner and in a way, that safeguards the interests of all stakeholders to minimize and manage all real or potential conflict of interest (“COI”). Turlov Family Office Securities (PTY) Ltd and its representative must therefore avoid (or mitigate where avoidance is not possible) any COI between Turlov Family Office Securities (PTY) Ltd and a client or its representative and a client.

3. DEFINITIONS:

For purposes of this policy, the following words and/or phrases are defined herein:

“Conflict of interest” means any situation in which Turlov Family Office Securities (PTY) Ltd or its representatives has an actual or potential interest that may, in rendering a financial service to a client influence the objective performance of his, her or its obligations to that client; or prevent Turlov Family Office Securities (PTY) Ltd or its representatives from rendering an unbiased and fair financial service to that client, or from acting in the interests of that client, including, but not limited to

- i. a financial interest;

- ii. an ownership interest;
- iii. any relationship with a third party (“third party”) means
 - a. a product supplier,
 - b. another provider,
 - c. an associate of a product supplier or a provider;
 - d. a distribution channel;
 - e. any person who in terms of an agreement or arrangement with a person referred to in paragraphs (a) to (d) above provides a financial interest to a provider or its representatives.)

“FAIS” means the Financial Advisory and Intermediary Services Act, 37 of 2002.

“Financial interest” means any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic and foreign travel, hospitality, accommodation, sponsorship, other incentive or valuable consideration, other than –

- i. an ownership interest;
- ii. training, that is not exclusively available to a selected group of providers or representatives on products and legal matters relating to those products; general financial and industry information; specialized technological systems of a third party necessary for the rendering of a financial service; but excluding travel and accommodation associated with that training.

“Immaterial financial interest” means any financial interest with a determinable monetary value, the aggregate of which does not exceed R1 000 in any calendar year from the same third party in that calendar year received by –

- a) a provider who is a sole proprietor; or
- b) a representative for that representative’s direct benefit;
- c) a provider, who for its benefit or that of some or all of its representatives, aggregates the immaterial financial interest paid to its representatives.

“Insider trading” means circumstances where an individual, who has price sensitive information, deals in a related security or financial instrument before the information is made available to the rest of the market. Insider trading creates conflicts of interest.

“Representative” means duly appointed representative and/or representative under supervision of Turlov Family Office Securities (PTY) Ltd.

“Ownership interest” means

- a) any equity or proprietary interest, for which at fair value was paid by the owner at the time of acquisition, other than equity or an proprietary interest held as an approved nominee on behalf of another person; and
- b) includes any dividend, profit share or similar benefit derived from that equity or ownership interest.

“Provider” means Turlov Family Office Securities (Pty) Ltd.

4. PROCEDURES:

Turlov Family Office Securities (Pty) Ltd or its representatives may only receive or offer financial interest from or to a third party as determined by the Commissioner of Financial Services Providers from time to time, and as set out in Annexure A hereto.

Turlov Family Office Securities (Pty) Ltd may not offer any financial interest to its representatives for giving preference to the quantity of business secured for the provider to the exclusion of the quality of the service rendered to clients; or giving preference to a specific product supplier, where

a representative may recommend more than one product supplier to a client; or giving preference to a specific product of a product supplier, where a representative may recommend more than one product supplier to a client.

4.1 HOW TO IDENTIFY COI:

In order to identify whether a conflict of interest could exist, a representative should consider the following:

1. Roles and responsibilities:
 - Clearly understand your roles, duties, and obligations within your FSP, business, or professional capacity.
2. Personal interests:
 - Identify any personal interests, financial holdings, or relationships that could potentially influence your decision-making or actions in your professional role.
 - Whether your actions, decisions, and recommendations prioritise the well-being, goals, and needs of your client above your own personal interests.
3. Potential conflicts:
 - Consider whether there is a situation where your personal interests or relationships may conflict with your professional duties or the best interests of the FSP.
 - Whether your actions and decisions align with the goals, objectives, and values of the FSP.
 - Reflect on whether you may benefit personally from a decision or action you are involved in, or if you have a bias that could impact your judgment.
4. The perspectives of others:
 - Put yourself in the shoes of others, such as clients, colleagues, or stakeholders, and assess whether they might perceive a conflict of interest in your actions or decisions.
5. Apply ethical principles:
 - Consider whether your actions align with principles of integrity, honesty, transparency, and fairness.
 - Approaching situations, decisions, and assessments with impartiality, fairness, and neutrality.
6. Seek guidance:
 - Consult with colleagues and supervisors within your FSP for guidance on identifying and addressing conflicts of interest.

Seek advice from external sources, such as professional associations, legal advisors, or regulatory bodies, if needed.

4.2 RESOLVING COI OR POTENTIAL COI:

1. Disclosure:
 - If you become aware of a potential conflict of interest, disclose it promptly to relevant parties, such as your supervisor, manager, ethics committee, or compliance officer.
 - Provide complete and transparent information about the nature of the conflict, including any personal interests, relationships, or financial arrangements that may be involved.
2. Assessment:

- Evaluate the potential impact of the conflict of interest on your ability to act impartially, objectively, and in the best interests of the FSP, clients, or stakeholders.
 - Consider the risks and implications of the conflict, including reputational damage, legal liabilities, and adverse impacts on relationships and decision-making.
3. Mitigation:
- Implement measures to mitigate or manage the conflict of interest effectively. This may include:
 - Recusal: Refraining from participating in decision-making or activities directly affected by the conflict.
 - Appointment of a neutral party: Seeking an independent advisor or mediator to oversee or provide guidance on resolving the conflict.
 - Transparency: Disclosing the conflict to affected parties and stakeholders to ensure transparency and accountability.
 - Documentation: Maintaining detailed records of the conflict, disclosure, and actions taken to address it for accountability and compliance purposes.
4. Consultation:
- Seek guidance and advice from relevant parties, such as legal counsel, ethics advisors, or regulatory authorities, to ensure that your actions align with legal and ethical standards.
 - Engage in open and constructive dialogue with affected parties to explore potential solutions and resolve the conflict in a collaborative manner.
5. Resolution:
- Implement the agreed-upon solutions or measures to address the conflict of interest effectively.
 - Monitor the situation closely to ensure that the conflict is resolved satisfactorily and that any potential risks or issues are addressed promptly.
 - Regularly review and reassess the effectiveness of the measures implemented to manage the conflict and make adjustments as necessary.
6. Continuous Improvement:
- Use the experience of resolving the conflict of interest as an opportunity for learning and improvement.
 - Identify any gaps or weaknesses in existing policies, procedures, or controls related to conflict of interest management and take steps to strengthen them to prevent similar situations from occurring in the future.

All FSP's must go beyond their disclosure obligation, and be able to demonstrate that they have management procedures in place to assess impact and manage conflicts which are to be monitored to ensure that such procedures have been complied with.

4.3 MEASURES TO AVOID COI:

1. Establish awareness:
 - Educate employees, directors, and stakeholders about what constitutes a conflict of interest and the importance of identifying and addressing them.
2. Identify potential conflict areas:
 - Review key areas where conflicts of interest commonly occur, such as:
 - Financial interests: Ownership or investments in competing businesses, clients, or suppliers.

- Personal relationships: Relationships with clients, vendors, or colleagues that may influence decision-making.
- Outside activities: Involvement in outside businesses, consulting roles, or nonprofit organisations that could affect the FSP.
- Gifts and hospitality: Receipt of gifts, entertainment, or favors that may create a sense of obligation or bias.
- Family relationships: Relationships with family members who may have connections to clients, vendors, or competitors.

Potential COI that could affect Turlov Family Office Securities (Pty) Ltd

- Directorships or other employment;
- Insider Trading
- Interests in business enterprises or professional practices;
- Share ownership;
- Beneficial interests in trusts;
- Personal Account Trading;
- Professional associations or relationships with other organisations;
- Personal associations with other groups or organisations, or family relationships;
- Front running;
- Rebates;
- Kickbacks; and
- Commission

Examples of potential COI scenarios include, but are not limited to the following:

- Using influence to secure a contract for a service provider in which you hold an interest;
 - Soliciting financial interest to influence or unfairly advance the interests of a third party;
 - Accepting benefits from service providers or contractors;
 - Setting up business in direct competition with Turlov Family Office Securities (Pty) Ltd and
 - Giving preference to the quantity of business which you undertake rather than the quality thereof.
3. Review the FSP's policies and procedures:
 - Examine existing policies, codes of conduct, and procedures related to conflicts of interest to understand the FSP's expectations and requirements for disclosure and management.
 4. Encourage disclosure:
 - Establish mechanisms for employees, directors, and stakeholders to disclose potential conflicts of interest confidentially and without fear of retaliation.
 - Encourage open communication and create a culture where individuals feel comfortable raising concerns about potential conflicts.
 5. Conduct periodic reviews:
 - Regularly review business activities, transactions, and relationships to identify new or emerging conflicts of interest.

- Monitor changes in employee roles, responsibilities, and personal circumstances that may give rise to conflicts.
6. Seek input from stakeholders:
 - Consult with key stakeholders, such as clients, vendors, and shareholders, to identify any perceived conflicts of interest and address their concerns.
 7. Document findings:
 - Document identified conflicts of interest, including the nature of the conflict, individuals involved, and potential impact on the FSP.

4.4 DISCLOSURE OF COI:

At the earliest reasonable opportunity, Turlov Family Office Securities (Pty) Ltd and its representative must, in writing, disclose to a client any COI or potential COI in respect of that client including –

- a. Measures taken to avoid or mitigate the conflict;
- b. Any ownership interest or financial interest that the provider or representative may be or become eligible for;
- c. The nature of the relationship or arrangements with a third party that gives rise to a COI in sufficient detail to enable the client to understand the exact nature of the COI.

At the earliest reasonable opportunity, Turlov Family Office Securities (Pty) Ltd and its representative must, in writing, inform a client of the Conflict of Interest Management Policy and how it may be accessed.

Notification of an actual or potential COI should be made to a person with responsibility for the issue or area, such as the relevant management team, supervisor, head of the department or key individual.

In accordance with an employee's obligation to act in the best interest of his or her employer, it is not permissible for employees to engage in conduct that would amount to a COI with Turlov Family Office Securities (Pty) Ltd

Staff that fail to disclose a potential or actual COI in accordance with this policy may be liable to disciplinary procedures as governed by relevant industrial awards or agreements.

5 HOUSEKEEPING OF THIS DOCUMENT:

- i. Ownership and ultimate responsibility:
 - a. This document is owned and maintained by Turlov Family Office Securities (Pty) Ltd. The ultimate responsibility for this document, the contents thereof and compliance remains with the Key individuals, of Turlov Family Office Securities (PTY) Ltd] who is responsible for creating an ethical environment.
- ii. Updates, review and approval:
 - a. Turlov Family Office Securities (PTY) Ltd COI policy shall be reviewed on an Annual basis and updated if necessary. This policy is approved by a Director.

- iii. Adoption and implementation:
 - a. Every staff member must have a copy of the Conflicts of interest Management Policy. If a potential COI arises, the transaction must first be discussed with management before entering the transaction.
- iv. Non-compliance with this document:
 - a. Non-compliance with this policy and the procedures described in it may be misconduct and employees may be subject to disciplinary action that may lead to dismissal.

6 LIST OF ALL TURLOV FAMILY OFFICE SECURITIES (PTY) LTD ASSOCIATES:

Not applicable

7 NAMES OF ANY THIRD PARTIES IN WHICH TURLOV FAMILY OFFICE SECURITIES (PTY) LTD HOLD AN OWNERSHIP INTEREST:

Not applicable

8 NAMES OF ANY THIRD PARTIES THAT HOLDS AN OWNERSHIP INTEREST IN TURLOV FAMILY OFFICE SECURITIES (PTY):

Not applicable

9 LIST NATURE AND EXTENT OF OWNERSHIP INSERT REFERRED TO IN POINT 7 AND 8.

Not applicable

10 Conclusion:

All representatives of Turlov Family Office Securities (Pty) Ltd including key individuals and management are required to be dedicated to upholding the highest level of integrity and ethical conduct in all of their activities and relationships with all stakeholders.

Annexure A- Accepted financial interest as amended

The Commissioner of Financial Services Providers issued Board Notice 58 of 2010 (BN 58) under section 15 of the Financial Advisory and Intermediary Services Act, 2002 (FAIS). BN 58 amends the General Code of Conduct for Authorised Financial Services Providers and Representatives under FAIS and determines that a financial services provider or its representatives may only receive or offer financial interest from or to a third party as follows:

- i. Commission authorised under the Long-term Insurance Act or Short-term Insurance Act;
- ii. Commission authorised under the Medical Schemes Act;
- iii. Fees authorised under 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;
- iv. Fees for the rendering of a financial service in respect of which commission or fees referred to in sub-paragraph (i), (ii) or (iii) is not paid, if those fees –
 - aa. are specifically agreed to by a client in writing; and
 - ab. may be stopped at the discretion of that client.
- v. 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;
- vi. subject to any other law, an immaterial financial interest*;
- vii. a financial interest, not referred to under sub-paragraph (i) to (vi), for which a consideration, fair value or remuneration that is reasonably commensurate to the value of the financial interest, is paid by that provider or representative at the time of receipt thereof.

Annexure B – Gift register

Name of Key Individual / Representative	Date on which gift was received	Source of gift	Type of gift	Value of gift