



Old Mutual Insure FAIS Conflicts of Interests Policy

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1 Introduction

Section 3A(2)(a) of the FAIS General Code of Conduct stipulates that every provider, other than a representative, must adopt, maintain and implement a Conflict of Interest Management Policy that complies with the provisions of the Act. Old Mutual Insure and its representatives (including staff and associates) must avoid and where that is not possible mitigate any Conflict of Interest between ourselves and clients.

2 What is a conflict of interest?

A Conflict of Interest is an interest that may influence the objective performance of our obligations or prevent us from rendering unbiased and fair financial services to our clients.

By us/we/ourselves we mean Old Mutual Insure, our representatives and our associates.

3 What we may not give?

We may not offer any financial interest to representatives for:

- favouring quantity of business over quality of service; or
- giving preference to a specific product supplier where more than one supplier can be recommended to a client; or
- giving preference to a specific product of a supplier where more than one product of that supplier can be recommended.

4 What are we allowed to give?

We may only offer a representative, third party that performs the functions of an insurer for Old Mutual Insure or any other authorised Financial Services Provider:

- Commission regulated under the Short-Term Insurance Act;
- Fees authorised under the Short-Term Insurance Act;
- Fees for the rendering of a financial service (subject to client consent and discretion)
- Fees or remuneration for the rendering of services to a third party, reasonably proportionate (commensurate) to the service being rendered
- A maximum of R1000 (one thousand Rand) per representative or Financial Services Provider in one calendar year

5 What we may receive?

Old Mutual Insure may only receive what we are allowed to give. Please see points 1 – 5 in the above paragraph.

6 How we will identify conflicts of interest?

We identify this by analysing:

- the ownership interests of our Third Party relationships
- the payments received and/or offered between Third Party relationships
- the remuneration models of Old Mutual Insure representatives and Third Parties
- relevant management information
- complaints

7 How we will manage Conflicts of Interest risks?

Where reasonably possible we will avoid Conflicts of Interest. If this is not possible we will manage the risk of Conflicts of Interest by:

- Reviewing conflict of interest risk trends in the Conflicts of Interest Register
- Creating awareness with our employees about Conflicts of Interest risks
- Disclosing conflicts identified in our policy schedules and wording. Clients are encouraged to read these documents
- Ensuring understanding and adoption of the conflict of interest policy and management measures by all employees, representatives and associates
- Ensuring appropriate rules are put in place around the receipt of gifts, incentive and remuneration schemes to ensure that these do not impair fair customer outcomes

- Assessing management information to ensure quantity does not compromise quality of financial services provided.

8 How will we reduce the impact of conflicts of interest that cannot be avoided?

Where there is no other way of managing a conflict, or where the measures in place do not sufficiently protect the clients' interests, the conflict will be disclosed to allow the client to make an informed decision about whether or not to accept the Conflict of Interest.

Examples of conflict of interests that exist in Old Mutual Insure include:

- Binder fees arrangements
- Lead fee arrangements
- Old Mutual Insure ownership structures
- Group initiatives (Old Mutual Insure is owned by Old Mutual Group)
- Performance based remuneration
- Incentives
- Ad-hoc competitions

9 Consequences of non-compliance

Non-compliance with this policy is viewed in a serious light and employees may be subject to disciplinary action where appropriate.

10 Third parties that Old Mutual Insure have an ownership interest in

Old Mutual Holdings Mauritius Ltd	100%
Merx Underwriting Managers (Pty) Ltd	45%
Mutual & Federal Risk Financing Limited	100%
Credit Guarantee Insurance Limited	75%
Mutual & Federal Company of Zimbabwe	100%
Cougar Investment Holding	100%
Sintelum (Pty) Ltd	100%
Mercury Administrator and Underwriting Agency	10%
Elite Risk Acceptance (Pty) Ltd	100%

11 Third parties that have an ownership interest in Old Mutual Insure

Old Mutual Insure is owned by Mutual & Federal Investments Limited, a subsidiary of Old Mutual Life Assurance Co (SA) Ltd.

12 Associates of Old Mutual Insure

This includes all legal entities in the Old Mutual Group.

13 Reporting of Conflicts of Interest

Any person that would like to raise any potential Conflicts of Interest is encouraged to report it. Should you wish to remain anonymous, please use ominsure@tip-offs.com. The Anonymous Reports website is managed and controlled by Deloitte Tip-offs Anonymous, an organisation that is independent of the Old Mutual Group. Otherwise feel free to use compliance@ominsure.co.za.