



FINANCIAL  
SERVICES CC

# Conflict of Interest

## *Management Policy*

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# Conflict of Interest Management Policy

## 1. Introduction to JVS Financial Services CC

This Conflict of Interest Management Policy has been created in accordance with the requirements of Board Notice 58 of 2010, which amends the General Code of Conduct for Financial Services Providers and Representatives.

## 2. What is a conflict of interest?

A conflict of interest may occur when a Financial Service Provider ("FSP"), when rendering a financial service to a client, does not act objectively, does not render an unbiased or fair service or does not act in the client's interest. This may happen when the FSP has an actual or potential financial or ownership interest in the client's affairs or has a relationship with a third party or product supplier.

A financial interest includes cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, other incentive, or valuable consideration, other than

- a) An ownership interest;
- b) Training by a product supplier on products, general financial and industry information and technological systems, that is not exclusively available to a selected group of providers or representatives except for travel and accommodation associated with that training.

Where the amount of this interest does not exceed R1000 in aggregate to the FSP, including all its representatives and key individuals, it is considered an immaterial financial interest.

An ownership interest includes:

- (i) any equity or proprietary interest for which a fair value was paid on acquisition, other than such an interest held by a nominee;
- (ii) any dividend, profit share or similar benefit derived from such interest.

## 3. JVS Financial Services CC conflict of interest declaration

**JVS Financial Services CC** is an authorised Financial Services Provider FSP 42956.

In accordance with section 3A(1)(a) of the General Code of Conduct, JVS Financial Services CC confirm that JVS Financial Services CC or its representatives will only offer or receive financial interest to or from a third party in the form of –

- a) Commission authorised under the Long-term Insurance Act, 52 of 1998 or the Short Term Insurance Act, 53 of 1998;
- b) Commission authorised under the Medical Schemes Act, 131 of 1998;
- c) Fees authorised under the Long-term Insurance Act, 52 of 1998, the Short Term Insurance Act, 53 of 1998, or the Medical Schemes Act, 131 of 1998, if such fees are reasonably commensurate to the service being rendered;
- d) Fees for the rendering of a financial service in respect of which commission referred to in (i) to (iii) above is not paid, if such fees are specifically agreed to by a client in writing and may be stopped at the client's discretion;
- e) Fees or remuneration for the rendering of a service to a third party, which fees are reasonably commensurate to the service being rendered;
- f) Subject to any other law, an immaterial financial interest; and
- g) A financial interest, not referred to in paragraphs (i) to (vi) above, for which a consideration, fair value or remuneration that is reasonable commensurate to the value of the financial interest, is paid by JVS Financial Services or representative at the time of receipt thereof.

In accordance with section 3A(1)(b) of the General Code of Conduct, JVS Financial Services CC confirm that JVS Financial Services CC will not offer any financial interest to JVS Financial Services CC key individuals or representatives for -

- a) giving preference to the quantity of business secured for JVS Financial Services CC to the exclusion of the quality of the service rendered
- b) to clients; or
- c) 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 of that product

## 4. Internal procedures

To ensure compliance with this Conflict of Interest Management Policy, JVS Financial Services CC have set up the following internal procedures:

- a) All key individuals, representatives, employees and others are required to sign a declaration every year declaring whether they are aware of any conflict of interest and declaring that they are aware of the duty to avoid and report any existing or potential conflict of interest.
- b) Training on this Conflict of Interest Management Policy will be provided by JVS Financial Services CC Training Department either as part of

## 4. Internal procedures (continued)

- c) The Compliance Officer will report on this Conflict of Interest Management Policy in the annual compliance report.
- d) Avoidance, limitation or circumvention of this Conflict of Interest Management Policy via an associate will be deemed non-compliance.
- e) Any key individual, representative, employee or other shall be required to report to the Legal Department, alternatively to JVS Financial Services CC compliance officer, any potential conflict of interest as soon as is reasonably possible after becoming aware of such conflict of interest.
- f) Non-compliance will be subject to disciplinary procedures in terms of FAIS and employment conditions and can ultimately result in debarment or dismissal as applicable.
- g) In the event that JVS Financial Services CC recognised the existence of a material conflict of interest, JVS Financial Services CC shall notify affected clients thereof as soon as is reasonably possible and shall immediately take steps to avoid such conflict of interest.
- h) Should, however, a conflict of interest arise which cannot be avoided, JVS Financial Services CC shall immediately disclose in writing the nature and extent of the conflict of interest and any possible steps that may be taken to mitigate the conflict, and where applicable, afford the affected client/s the opportunity of reviewing their decision to use or continue to use JVS Financial Services CC's services.

## 5. Ownership Interest

Ownership interest in JVS Financial Services is held  
by: Johannes Frederik van Schalkwyk.

## 6. Policy Review

This Conflict of Interest Management Policy shall be reviewed annually and updated if required.

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3 ASISA Standard on Complaints Resolution

4 Section 19 (1) (d) (iii) of the General Code of Conduct for Authorised Financial Services Providers and Representatives and Rule 6 (b) of the Rules of Proceedings of the Office of the Ombudsman for Financial Services Providers.

5 Section 19 (1) (d) (iii) of the General Code of Conduct for Authorised Financial Services Providers and Representatives

6 Section 27 (3) (b) of the Financial Advisory and Intermediary Services Act

7 Section 27 (3) (b) of the Financial Advisory and Intermediary Services Act

8 Section 27 (4) (b) and (c) of the Financial Advisory and Intermediary Services Act

9 Section 27 (5) (c) of the Financial Advisory and Intermediary Services Act

10 Section 28 (1) (a) and (b) of the Financial Advisory and Intermediary Services Act

11 Section 28 (5) (a) of the Financial Advisory and Intermediary Services Act