

1. Document Type & Identification

Document Type	Conflict of Interest Management Framework
Document Version	Three (3)- 20 th September 2018
Responsibility	Legal and Compliance Manager
Executive Support	Managing Director
Scope and Impact	The framework is binding to all employees who interface with the practitioners and end users of the financial services products and services

2. Background

- i. The Company, as an authorised financial services provider, has a responsibility to conduct itself honestly, with integrity, fairness, dignity and ethically wherever it operates, with due regard to the environment, the communities in which it operates to ensure fair treatment of policyholders and beneficiaries.
- ii. The conflict of interest management framework formalises the policy and procedures required to properly handle and effectively resolve conflict of interest within the company.
- iii. The framework also guides the analysis of complaints to identify the root cause and thereby assisting us with the improving of our policies and procedures to reduce conflict of interest.

3. Objectives

To ensure that no illegal or unethical conduct on the part of officers, directors, employees or affiliates is tolerated whilst doing business on behalf of the company. The company will not compromise its principles for short-term advantage or gain.

Personal Conflict of Interest

4. Description

Officers, directors, and employees of the company must never permit their personal interests to conflict, or appear to conflict, with the interests of the company, its clients or affiliates. This may include but is not exclusive to:

Real or perceived financial gain resulting from recommendations to our clients at unnecessary cost to the client.

An outcome in service delivery or a transaction executed that may differ from the real interest of the client.

Any non-cash incentives that may be received by the business from affecting any predetermined transaction and / or product.

Effecting a transaction and / or product that may result in a benefit to another party other than the client without the client's knowledge and consent.

Officers, directors and employees must be particularly careful to avoid representing the company in any transaction with others with whom there is any outside business affiliation or relationship, based simply on that relationship without any sound business reason. Officers, directors, and employees shall avoid using their company contacts to advance their private business or personal interests at the expense of the company, its clients or affiliates.

5. Controls

When any potential or actual personal conflict of interest occurs, the person affected must report such conflict to the person authorised in this policy, who shall provide guidance in respect of the way forward. Compliance Manager shall maintain a register into which shall be entered each such notification, together with a record of the remedial action and copies of any notifications to clients.

A copy of the register shall be provided to the Risk Management Committee on a quarterly basis in order for the committee to determine the level of risk and whether separate mitigating actions are required.

6. Monitoring

The compliance officer shall monitor adherence to this aspect annually in terms of the approved Compliance Monitoring Plan and shall, in particular, monitor that the Risk Management Committee has been notified of any new conflicts of interest and has taken appropriate action, and include the findings in the annual report to the FSB as well as the quarterly report to Insignia.

Conflicts arising from Representative Incentives and Remuneration

It is the policy of the company that no representative shall be remunerated as part of an incentive structure with its main or sole aim to increase production, by way of share options at a discount or by way of any cash or non-cash incentive, unless such incentive structure takes into account:

A combination of quantitative and qualitative criteria; and

Is not limited to a specific product supplier; and

Is not limited to a specific product.

Any incentive as contemplated in this section must be linked to a particular incentive exercise and be approved by the Board in writing prior to being implemented.

All incentive projects must be disclosed to clients of the company who are approached with a view to doing business with them in relation to the incentive project.

For record keeping purposes, every incentive project must be attached to this master policy document, together with a description of the nature and basis of participation and any other rules as well as the duration of the incentive project.

7. Controls

A description of the incentive remuneration project shall be attached to, and form part of the resolution by the Board to approve same and shall be incorporated into the minutes of Board meetings.

8. Monitoring

The Compliance Officer shall review Management minutes annually to ensure that any incentive remuneration projects had been properly approved by Management and shall further perform checks to determine that affected clients were informed of the existence and scope of the incentive remuneration scheme for the period and include the findings in the annual report to the FSB as well as the quarterly report to the Company.

Gifting

No bribes, kickbacks or other similar remuneration or consideration shall be given to any person or organization in order to attract or influence business activity. Officers, directors and employees shall avoid gifts, gratuities, fees, bonuses or excessive entertainment, in order to attract or influence business activity.

In order to further ensure the adherence to this requirement, the official policy of the business is as follows:

Any gifts or gratuities over the value of R1 000 in the aggregate from any other person, including such person's associate as defined in Financial Services Board Notice 58 of 2010 may not be accepted by any person within the organization on behalf of INSIGNIA or personally and neither may such gifts or incentives be given by any person in the company, to any third party;

No gifts or gratuities may be accepted or given, regardless of value, without written consent from the Managing Director, and all such gifts and accompanying documentation must be registered in the non-cash incentive/ gifts register. In exercising his discretion in respect of the consent sought, the MD must have regard to any commission regulations or other laws which may be breached by the receipt of such gift. A written statement from the giver/receiver explaining the reason for and purpose of the gift must accompany any request for authorisation. This provision applies, without limiting the generality of the foregoing, also to invitations to any functions, including lunches, dinners, training interventions and prize giving functions.

9. Controls

A gifts register shall be maintained by the Compliance Manager and shall be a book with fixed and numbered pages, similar to a minute book and all entries shall be made in chronological order in the book. No pages may be removed from the book.

The gifts register shall be audited by the company's internal auditor or accountant on a quarterly basis for the purpose of determining whether any gifts or incentives exceeded the aggregate value of R1 000.00 or whether any other condition attaching to the receipt of grant of an incentive has been breached.

10. Monitoring

In addition to the monthly control exercised by the accountant, the Compliance Officer shall monitor adherence to this aspect on an annual basis and include the findings in the annual report to the FSB as well as the quarterly report to Insignia.

Insider Trading

The essence of the following section is really aimed at the prohibition of trading in liquid assets on a recognised exchange based on insider knowledge. Whilst this does not apply to Mmela as a private concern with limited liquidity vested in the hands of the owners, the content is repeated here to illustrate the spirit in which Mmela conducts its business. Moreover, a decision to terminate business is regulated by the FAIS act and subject to approval by the Registrar of Financial Services Providers. What follows therefore is recorded for the sake of completeness and does not behove separate controls or monitoring activities.

Officers, directors and employees of the company will often come into contact with, or have possession of, proprietary, confidential or business-sensitive information and must take appropriate steps to assure that such information is strictly safeguarded. This information – whether it is on behalf of our company or any of our clients or affiliates – could include strategic business plans, operating results, marketing strategies, customer lists, personnel records, upcoming acquisitions and divestitures, new investments, and manufacturing costs, processes and methods. Proprietary, confidential and sensitive business information about

this company, other companies, individuals and entities should be treated with sensitivity and discretion and only be disseminated on a need-to-know basis.

Misuse of material inside information in connection with trading in the company's securities can expose an individual to civil liability and penalties. Under current legislation, directors, officers, and employees in possession of material information not available to the public are "insiders." Spouses, friends, suppliers, brokers, and others outside the company who may have acquired the information directly or indirectly from a director, officer or employee are also "insiders." The Act prohibits insiders from trading in, or recommending the sale or purchase of, the company's securities, while such inside information is regarded as "material", or if it is important enough to influence you or any other person in the purchase or sale of securities of any company with which we do business, which could be affected by the inside information. The following guidelines should be followed in dealing with inside information:

Until the material information has been publicly released by the company, an employee must not disclose it to anyone except those within the company whose positions require use of the information.

Employees must not buy or sell the company's securities when they have knowledge of material information concerning the company until it has been disclosed to the public and the public has had sufficient time to absorb the information.

Employees shall not buy or sell shares of another corporation, the value of which is likely to be affected by an action by the company of which the employee is aware and which has not been publicly disclosed.

Officers, directors and employees will seek to report all information accurately and honestly, and as otherwise required by applicable reporting requirements.

Officers, directors and employees will refrain from gathering competitor intelligence by illegitimate means and refrain from acting on knowledge which has been gathered in such a manner. The officers, directors and employees of the company will seek to avoid exaggerating or disparaging comparisons of the services and competence of their competitors.

Violation of this Code can result in disciplinary action being taken against the person, including possible termination of services. The degree of discipline relates in part to whether

there was a voluntary disclosure of any ethical violation and whether or not the violator cooperated in any subsequent investigation.

11. Managing of Conflicts

11.1 Lesser Conflicts

When any staff member of the company suspects a potential conflict of interest, that member shall be obliged to discuss the matter with his/her immediate superior. The content of the discussion as well as any decision made must be minuted. The superior and staff member will accept joint responsibility for the decision taken unless the decision is put forward for ratification to a more senior person in the company. In assessing whether a conflict is material or of a lesser nature, regard must be had to the impact that such a conflict will have on the company's reputation, financial loss and internal erosion of ethical standards.

All decisions made must be reported on a weekly basis to Darren, by the most senior person involved in that decision.

Definitions

“Pre-qualifier” - means a person who has never been authorised as a financial services provider or appointed as a representative by any financial services provider

“Sign –on Bonus” - means any financial interest offered or received directly or indirectly, upfront or deferred, and with or without conditions, as an incentive to become a provider; and a financial interest referred to the definition of a pre-qualifier includes but is not limited to-

Compensation for the-

- (a) potential or actual loss of any benefit including any form of income, or part thereof; or
- (b) cost associated with the establishment of a provider's business or operations, including the sourcing of business, relating to the rendering of financial services; or

A loan, advance, credit facility or any other similar arrangement

11.2 Measures to avoid conflict of interest

No person may offer or provide a sign-on bonus to any person, other than a new entrant, as an incentive to become a Category I provider that is authorised or appointed to give advice.

A category I provider that is authorised or appointed to give advice may not receive a sign-on bonus from any person.

12. Material Conflicts

Material conflicts must be discussed with the Managing Director before any decision is made. Only the MD or person authorised by the Board may make the final decision regarding a material conflict.

13. Management and Mitigation

The Risk Management committee of the company will review all conflicts on a quarterly basis and make recommendations regarding steps to avoid a recurrence of those aspects. The Compliance Manager will accept responsibility for the implementation of all steps necessary. Notice of the attention paid to conflict of interest must be contained in the minutes of the meetings of the Management Committee and the relevant extracts of the minutes must be made available to the company's compliance officer on request, the purpose of which is to enable the compliance officer to report on compliance with this policy.

Where a conflict is identified and a decision made, the nature of the decision must be communicated to the third party in writing as soon as possible. This applies regardless of whether the decision was made to cease doing business or continue with the business at hand despite the existence of the conflict. It is important for the preservation of the corporate integrity that these disclosures are made at all times.

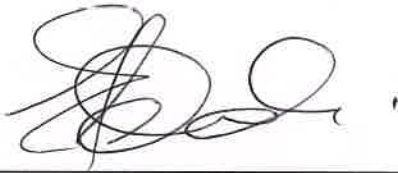
14. List of Associates and Third Parties

At the date hereof, the company structure and relationships are as follows:

Progressor Insurance

Express Assessing and Recovery Services

Signed at MARSHALLTOWN on this 25TH day of SEPTEMBER 2018



For and on behalf of the Compliance Manager