
COLLECTIVE INTERNAL POLICY ON MANAGING POTENTIAL CONFLICT OF INTERESTS AND INSIDER

TRADING

3 WAY MARKETING (PTY) LTD

PURPOSE

The objective of this policy is to ensure that employees of 3 Way Marketing always conduct themselves in a fair, ethical, equitable and transparent manner in the best interest of 3 Way Marketing and to treat customers fairly.

INTRODUCTION

The company conducts its business honestly and ethically wherever we operate in the world. We constantly improve the quality of our services, products and operations and strive to create and maintain our reputation for honesty, fairness, respect, responsibility, integrity, trust and sound business judgment. No illegal or unethical conduct on the part of officers, directors, employees or affiliates is in the company's best interest. The company will not compromise its principles for short-term advantage. The ethical performance of this company is the sum of the ethics of the men and women who work here; thus, we are all expected to adhere to high standards of personal integrity.

CONFLICT OF INTEREST

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 an intended yet undisclosed benefit to another party other than the client.

Officers, directors and employees must be particularly careful to avoid representing the company in any transaction with others with whom there is any personal outside business affiliation or relationship. 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.

REPRESENTATIVE INCENTIVES AND REMUNERATION

It is the policy that all representatives of the company shall be eligible for any and all incentive remuneration projects offered by the company from time to time. 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 on 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 Managing Director 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 and every incentive project must be attached to this policy, together with a description of the nature and basis of participation and any other rules as well as the duration of the incentive project.

The FAISA compliance procedures manual makes provision for specific compliance controls to ensure on-going compliance of this aspect.

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:

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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 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 without written consent from that person's line manager, and all such gifts and accompanying documentation must be registered in the non-cash incentive/ gifts register as maintained by the key individual, either by sending detail of the gift by e mail promptly, or by completing a monthly disclosure declaration as circulated by the compliance department and submitting same by e mail. No notifications will be accepted if not sent by e mail and no notification may be made later than the end of the month in which the incentive was approved and received.

In exercising his/her discretion, the approving line manager 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 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 givings.

The gifts register shall be maintained in electronic format by the key individual and all entries shall be made in chronological order in the register. The gifts register shall be audited by the company's internal auditor or accountant on a monthly basis for the purpose of determining whether any gifts or incentives exceeded the aggregate value of R1 000.00. The results of the audit shall be communicated to the MANAGING DIRECTOR. In determining whether any gift or incentive is to be returned, the MANAGING DIRECTOR shall have regard to this report.

INSIDER TRADING AND RELATED PARTY TRANSACTIONS

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. Moreover, 3 Way Marketing may be presented with an opportunity to do business either as a supplier of customer with other persons and businesses in which an 3 Way Marketing employee may have an interest or which is associated with such employee. Although this is not necessarily a conflict of interest, it is a potential conflict of interest and therefore the prohibitions contained in this section apply to such transactions.

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Misuse of material inside information in connection with conducting our business not only can expose an individual to civil liability and penalties but will harm 3 Way Marketing' reputation and bring the financial services sector into disrepute. 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 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 act on prior knowledge of material information concerning the company until it has been disclosed to the public, including clients 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.
- In the case of a potential conflict of interest by virtue of 3 Way Marketing doing business with an associate, full and adequate disclosure regarding the nature of the relationship must be made before any business relationship or transaction is entered into.

Officers, directors and employees will seek to report all information accurately and honestly, and as otherwise required by applicable reporting requirements. The MANAGING DIRECTOR will circulate a disclosure form as per annexure A hereto annually and every employee must complete and return the form according to the instructions issued. Completion of the form does not absolve any employee from any other or further disclosures to be made.

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.

MANAGEMENT OF CONFLICTS

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

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 in writing on a weekly basis to the Head: Compliance, by the most senior person involved in that decision. The Head: Compliance shall maintain a record of all such instances.

MATERIAL CONFLICTS

Material conflicts must be discussed with the MANAGING DIRECTOR before any decision is made. Only the MANAGING DIRECTOR or in his absence, the key individual may make the final decision regarding a material conflict.

MANAGEMENT AND MITIGATION

The key individual shall prepare a written report on compliance with this policy every quarter and present same to the Executive Committee. The Executive 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 MANAGING DIRECTOR 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 executive 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 maintain full and detailed records.

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.

LIST OF ASSOCIATES AND THIRD PARTIES

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

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Associates:

- None

STAFF TRAINING AND GENERAL AWARENESS

All the company's staff must be trained on this policy. A copy of the policy must be provided to each staff member at inception of that staff member's duties and updated versions must be circulated as and when they are updated. Moreover, all the company's clients – existing and future, must be made aware of the existence of this policy. The policy must be posted on the company's website under the section "Internal company policies". It is the responsibility of the key individual to ensure that the provisions of this paragraph are adhered to.

CONSEQUENCES OF NON-COMPLIANCE

Violation of this policy may 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. In respect of representatives, an offending representative may furthermore be debarred from acting as such and removed from the register of representatives.

