



Conflict-of-Interest

Allianz Global Corporate & Specialty South Africa Ltd.

Version	Effective	Classification
1.4	11.2017	

Conflict-of-interest: means

any situation in which a provider or a representative has an actual or potential interest that may, in rendering a financial service to a client:

- a. influence the objective performance of his, her or its obligations to that client; or
- b. prevent a provider or representative from rendering an unbiased and fair financial service to that client, or from acting in the interest of that client, including but not limited to
 - i) a financial interest;
 - ii) an ownership interest; or
 - iii) any relationship with a third party.

Distribution channel: means

- a. any arrangement between a product supplier or any of its associates and one or more providers or any of its associates in terms of which arrangement any support or service is provided to the provider or providers in rendering a financial service to a client;
- b. any arrangement between two or more providers or any of their associates, which arrangement facilitates, supports or enhances a relationship between the provider or providers and a product supplier;
- c. any arrangement between two or more product suppliers or any of their associates, which arrangement facilitates, supports or enhances a relationship between a provider or providers and a product supplier.

Financial interest: means

any 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, that is not exclusively available to a selected group of providers or representatives, on -
 - i) products and legal matters relating to those products;
 - ii) general financial and industry information;
 - iii)

Immaterial financial interest: means

any financial interest with a determinable monetary value, the aggregate of which does not exceed R 1 000 in any calendar year from the same third party in that calendar year received by

- a. a provider who is a sole proprietor;
- b.
- 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.

Measured entity: -

has the meaning assigned to it in the FSC insofar it relates to a qualifying enterprise development contribution.

Ownership interest: means -

- a. any equity or proprietary interest, for which fair value was paid by the owner at the time of acquisition, other than equity or a 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.

Third party: means

- a. a product supplier;
- b. another provider;
- c. an associate of a product supplier or a provider;
- d. a distribution channel; or
- 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.

FSC: means

the Financial Sector Code published in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act, (Act 53 of 2003), as amended from time to time.

Qualifying beneficiary entity: -

has the meaning contemplated in the FSC insofar as it relates to a qualifying enterprise development contribution.

Qualifying enterprise development contribution:-

has the meaning assigned to it in the FSC.

iii) fees authorised under the Long-

reasonably required to perform it;

- ii) the payment of those financial interests does not result in the provider or representative being remunerated more than once for performing a similar service;
- iii) any actual or potential conflicts between the interests of clients and the interests of the person receiving the financial interests are effectively mitigated; and
- iv) the payment of those financial interests does not impede the delivery of fair outcomes to clients.

6

The mechanisms implemented to identify actual or potential conflicts of interests for the Company are:

- a. Declarations are signed by all Key Individuals confi

- g. The mitigation process will include the adoption of the following measures:
 - i) The actual or potential conflict of interest must remain only for as long as it is absolutely necessary given the unavailability of the actual or potential conflict of interest;
 - ii) Alternative arrangements to a proposed transaction, contract or arrangement that is the subject of the conflict of interest must be investigated on a continuous basis;
 - iii) The rendering of financial services must at all times be conducted with the best interest of the client in mind (in as far as this is possible, given the unavailability of the actual or potential conflict of interest);
 - iv) All Representatives must be made aware of the actual or potential conflict of interest, and the reasons for its unavailability;
 - v) Full disclosure of the actual or potential conflict of interest must be made to the client at the earliest reasonable opportunity;
 - vi) Full disclosure of the actual or potential conflict of interest must be made to the Financial Sector Conduct Authority if required.

8

- a. In terms of Section 3A(2)(b)(i)(dd) of the Code a conflict-of-interest-management policy must provide processes, procedures and internal controls to facilitate compliance with the Policy.
- b. The processes associated with the implementation and continued compliance of the conflict-of-interest-management policy must be performed by the EMT of the FSP as well as the appointed Compliance Officer.
- c. Internal controls and processes include the following:
 - i) The EMT of the FSP will ensure that the policy is kept on the compliance file, and the report.

ii) mant, a8871 0 59vW*nBTBT/F3-9(i) Tma(shn)-0 G -0.0511045>00440046>3004E>50003}TETQ.000008871

- vii) The EMT of the FSP will ensure that a list of all third parties that hold an ownership interest in the FSP is attached hereto and updated annually. The appointed Compliance
 - viii) The EMT of the FSP will ensure that all gifts received from or provided to third parties, with an estimated value of R100 or more are recorded in
appointed Compliance Officer will confirm that such register is in place as part of the
 - ix) The EMT of the FSP will ensure that all records associated with the identification of actual or potential conflicts of interest are kept on the compliance file. The appointed
 - x) The EMT of the FSP will ensure that the proper disclosure requirements are communicated to the client. The appointed Compliance Officer will confirm such
- d. The Policy will be:
- i) Overseen by the EMT of the FSP who carry the responsibility for the implementation,
 - ii) Reviewed at least annually by the Board, and where necessary, updated to ensure that the arrangements remain adequate to identify

Associate's Name	Type of Relationship
Allianz Global Corporate and Specialty SE Registered office: Koeniginstr. 28, 80802 Munich, Germany; Commercial Register/ Munich HRB 208312	Parent of Allianz Global Corporate and Specialty of Africa (PTY) Ltd 1975/016027/07
Allianz Global Corporate and Specialty of Africa (PTY) Ltd 1973/016027/07	Parent Company of Allianz Global Corporate and Specialty Limited
Euler Hermes Services South Africa PTY Limited.	Euler Hermes is present in South Africa through a service company and is an affiliated company
Allianz Worldwide Partners	Affiliated company in the Allianz network
Allianz SE	Ultimate Parent Company incorporated in Munich, Germany and listed on Frankfurt Stock Exchange
All subsidiaries of Allianz SE wherever located	Affiliated companies in the Allianz network

Allianz Global Corporate and Specialty SE Registered office: Koeniginstr. 28, 80802 Munich, Germany; Commercial Register/ Munich HRB 208312	Parent of Allianz Global Corporate and Specialty of Africa (PTY) Ltd 1975/016027/07
Allianz Global Corporate and Specialty of Africa (PTY) Ltd 1973/016027/07	Parent Company of Allianz Global Corporate and Specialty Limited

In terms of Section 3A of the Code, a conflict-of-interest management policy must include the names of any third parties in which the provider holds an ownership interest.

Name of third party in which the FSP holds Nature and extent of ownership interest: an ownership interest:

In terms of Section 3A of the Code, a conflict-of-interest management policy must include the names of any third parties that hold an ownership interest in the provider.

Name of third party that holds an ownership interest in the FSP: Nature and extent of ownership interest:

12

12.1 Key Individuals

The Key names of all third parties in which the FSP has an interest, and confirmation of the list of names of all third parties that hold an ownership interest in the FSP.