

# WellsFaber (Pty) Ltd



## **CONFLICT OF INTERESTS POLICY (Abbreviated)**

In accordance with our conflict of interests management policy, WellsFaber (Pty) Limited ("WF") places a high priority on its clients' interests. As conflicts of interest affecting clients could undermine the integrity and professionalism of our business, any instances must be identified as early as possible. If conflict situations cannot be avoided, they must be managed equitably and in the client's interest. Detecting potential or recognized conflicts of interest that could compromise the interest of its clients and managing and limiting the impact of conflicts of interest therefore constitute an integral part of WF's duties and obligations.

### **I. Conflict of interest:**

What do we mean by this?

A conflict of interest is a situation in which the interests of WF, in the exercise of its activities, and the interests of its clients, are directly or indirectly in competition, and which could significantly prejudice the client's interests. This notion concerns WF in its capacity as a financial advisory services company, and all individuals working for WF. A conflict of interest may occur in the provision of advisory services. A conflict of interest may be recognized (actually indentified) or potential (conceivable).

The notice of conflict of interest encompasses a range of very diverse factors such as:

- Professional ethics of employees,
- The use of sensitive or privileged information and professional secrecy,
- Respect for clients' interests,
- Respect for professional obligations in relation to the market and specific to WF

### **II. Conflicts of interest:**

What is a conflict of interest situation?

Conflict of interest situations that could prejudice a client may take a variety of forms, whether or not WF suffers any financial loss and independently of whether the actions or the motivations of the employees involved are intentional. At least four types of situation are defined by WF in respect of advisory services to help determine whether a potential conflict of interest situation might occur.

- WF or an employee will realize financial gain or avoid a potential loss at the client's expense,
- The interest of WF, or an employee may be different from the client's interest,
- WF, or an employee is induced to favour one client over another (whether for financial reasons or otherwise),

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WellsFaber (Pty) Ltd (Reg No.1987/001743/07) Authorised Financial Services Provider FSP No. 638  
Directors: I W Morris (British), R L Faber, J D Krige, S Robson, R J Laros

#### **Cape Town**

Tannery Park, 21 Belmont Road, Rondebosh 7700  
P.O. Box 312 Rondebosch, 7701 Cape Town  
South Africa  
Tel: (27) 021-689-4314  
Fax: (27) 021-686-3446  
e-mail: [WF@iafrica.com](mailto:WF@iafrica.com)  
[www.wellsfaber.co.za](http://www.wellsfaber.co.za)

#### **Johannesburg**

Waterfront House, Waterfront Office Park,  
Cnr Republic and West Road, Ferndale, Randburg 2194  
Suite 036 Private Bag 10026 Randburg 2125  
South Africa  
Tel: (27) 011-504-9810 Fax: 086-686-7171  
e-mail: [anitamarrian@WF.co.za](mailto:anitamarrian@WF.co.za)  
[www.wellsfaber.co.za](http://www.wellsfaber.co.za)

- WF or an employee will gain an advantage (financial or in kind) from a third party in the execution of the service conducted on behalf of the client.

### III. Conflicts of interest:

Prevention, detection and management

WF has identified specific potential conflicts of interest in relation to its activities which may be encountered by WF when we deliver our services to clients. For each situation, WF has analysed whether the risk is actual or potential for one or more of its clients. To handle potential or actual conflict of interest situations, WF may:

- Conduct the transaction while, given the conflict of interest generated by it, implementing procedures that enable appropriate management of the situation in order to avoid damaging the interests of the client in question
- Avoid conducting the transaction that would potentially generate a conflict of interest
- Inform the client in the event that certain conflicts of interest cannot be properly handled and communicate the necessary information about the type and origin of the conflict of interest to the client, so that the client can make a fully informed decision regarding the proposed transaction.

WF has established a management policy for conflicts of interest enabling it to prevent potential conflicts of interest, manage actual conflicts of interest and communicating them effectively to clients. This policy is based on a system of prevention, detection, management, communication and recording conflicts of interest.

Our conflicts management framework document is available to all clients upon request.

Training: WF provides awareness training to staff with regard to our conflict of interest management policy.

Detection: WF has drawn up a list of recognized and potential conflicts of interest, by recording conflicts of interest and identifying the types of situations generating the conflicts and the associated risks.

Procedure if a conflict of interest arises:

Rose Laros, Compliance Officer, is responsible for the operation and condition of the conflicts of interest register. If a new potential or actual conflict of interest should arise, Rose Laros will send a memo to the board of directors so that the transaction that could potentially generate a conflict of interest may be accepted or declined, and managed in the client's interest. If a conflict of interest cannot be properly managed, the necessary information on the type and origin of the conflict of interest will be communicated to the client, to enable the client to make a fully informed decision. All the documents and supporting evidence will be archived by WF.

In general, all measures and complementary procedures will be taken to ensure the required level of independence.

Management: WF manages potential and actual conflict of interest situations based on the following:

- Ethical principles = Predominant among these rules are the principles of client sovereignty, equity, impartiality, respect for professional secrecy, market integrity and compliance with laws and regulations.

- A control system to ensure monitoring of the conflicts of interest and corrective measures taken. In this respect, WF has procedures detailing the concrete measure to manage potential or recognized conflicts of interest in the interest of the clients.
- WF will not deal in any financial product for our own benefit, account or interest, which will compromise a client in any way.