

Our commitment to you

At Dynamic Consult, your interests come first. This policy explains how we identify, avoid, manage and disclose any conflict of interest that could affect the advice or service we give you — and how we hold ourselves accountable for getting that right.

1. Introduction

In terms of the Financial Advisory and Intermediary Services Act, 2002 (FAIS), Dynamic Consult JV (Pty) Ltd ("the FSP") is required to maintain effective organisational and administrative arrangements to identify, monitor and manage conflicts of interest. Section 3A(2)(a) of the FAIS General Code of Conduct requires every authorised FSP to adopt, maintain and implement a conflict of interest management policy that complies with the Act.

This policy meets that obligation and sets out — in plain language — the principles, processes and controls that govern how we deal with any actual or potential conflict of interest.

2. Purpose

The purpose of this policy is to ensure that the values of our business and the conduct of our people remain aligned with one outcome: the fair treatment of our clients. We are committed to ethical, equitable business practice and to safeguarding the interests of every client we serve. To that end, this policy sets out how we:

- Identify circumstances that may give rise to actual or potential conflicts of interest entailing a material risk of damage to our clients' interests;
- Establish appropriate structures and systems to avoid and manage those conflicts; and
- Maintain ongoing controls to prevent damage to our clients' interests through any identified conflict.

3. Scope of application

This policy applies to the FSP, all key individuals, representatives, associates and administrative personnel. Compliance is monitored on an ongoing basis, and any breach will be treated seriously — including disciplinary action under FAIS and employment conditions, which may extend to debarment or dismissal. Any attempt to avoid, limit or circumvent this policy via an associate will itself be treated as non-compliance.

Dynamic Consult JV (Pty) Ltd operates under FSCA licence number 54508. Our compliance function is outsourced to Masthead, which operates independently of the FSP.

4. Understanding conflict of interest

4.1 When is it a conflict of interest?

A conflict of interest exists where the FSP or one of our representatives has an actual or potential interest that may, in rendering a financial service, influence our objective performance of obligations to a client, or prevent us from rendering an unbiased and fair financial service, or prevent us from acting in the client's interests.

An "actual or potential interest" includes (but is not limited to):

- **A financial interest** — any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, travel, hospitality, accommodation, sponsorship, valuable consideration or other incentive exceeding R1,000 per calendar year.
- **An ownership interest** — any equity or proprietary interest, and any dividend, profit share or similar benefit derived from it.

- **A third-party relationship** — any relationship with a product supplier, another FSP, or an associate of either, or any other party that provides a financial interest to us or our representatives.
- **An immaterial financial interest** — a financial interest with a determinable monetary value of R1,000 or less in any calendar year from the same third party.

4.2 What we may give and receive

We may give or receive only those financial interests permitted under section 3A of the FAIS General Code of Conduct — including authorised commission and fees, fees specifically agreed in writing with the client, reasonable fees commensurate with services rendered, and immaterial financial interests as defined above. We will not offer or accept any sign-on bonus other than to a genuine new entrant, and we will never accept a financial interest determined solely by reference to the quantity of business secured.

4.3 Financial interests for our representatives

Where we determine a representative's entitlement to a financial interest, we apply measurable indicators relating to the achievement of minimum service-level standards, the delivery of fair outcomes for clients, and the quality of the representative's compliance with the FAIS Act. These indicators are agreed in writing and given sufficient weight to materially mitigate the risk of the representative preferring quantity of business over fair treatment of clients.

5. Processes and internal controls

5.1 Identification

To manage conflicts effectively we must identify them early. When assessing whether a situation is a conflict, we consider whether the FSP, a representative, associate or employee:

- Is likely to make a financial gain — or avoid a financial loss — at the expense of the client;
- Has an interest in the outcome of a service or transaction that is distinct from the client's interest;
- Has a financial or other incentive to favour the interest of another client or third party over this client; or
- Receives or will receive from a person other than the client an inducement (in money, goods or services) other than legislated commission or a reasonable service fee.

All staff — including internal compliance and management — must notify the Key Individual of any conflict they become aware of. The Key Individual then assesses the implications and determines how the conflict will be managed, acting impartially to avoid material harm to clients.

5.2 Avoidance and mitigation

We build awareness through training and educational material so that our team can recognise and avoid conflict-of-interest situations. Where a conflict cannot be avoided, it is recorded on our Conflict of Interest Register. The Key Individual assesses each conflict — its nature, value and reputational risk — and works with our compliance function to agree the controls needed to manage it.

5.3 Mandatory disclosure

Where a conflict cannot be sufficiently managed by internal controls, we disclose it to the client so they can make an informed decision about continuing with our service. Where determinable, the monetary value of non-cash inducements is disclosed. Clients are informed of this policy and how to access it.

5.4 Ongoing monitoring

The Key Individual monitors compliance on an ongoing basis and conducts ad-hoc checks on business transactions. The Conflict of Interest Register is reviewed and updated at least quarterly. Our outsourced Compliance Officer (Masthead) — which holds no shareholding in the FSP and operates independently — includes monitoring of this policy in their general duties and reports on it in the annual compliance report. The policy itself is reviewed annually and updated whenever circumstances require.

5.5 Training

Conflict of interest training forms part of every new appointee's induction and of ongoing FAIS and General Code of Conduct training. Refresher training on this policy is delivered at least annually.

5.6 Registers

In respect of existing third-party relationships — the product suppliers listed in our Contact Stage Disclosure letter — we confirm that no circumstances currently give rise to a potential conflict of interest. Should any conflict arise, we will disclose it in the Conflict of Interest Register before entering any further business transaction with you. All gifts, financial interests, immaterial financial interests and any other conflict-of-interest situations contemplated by this policy are recorded in that register.

6. Remuneration

Representatives of the FSP qualify for financial interests only on the basis described below, and only in a manner that complies with sections 3A(1)(b) and 3A(1)(bA) of the General Code of Conduct.

- Commission is paid monthly. Where fees are payable to Dynamic Consult, these are reviewed from time to time and VAT is added where applicable.
- Individual advisers receive 100% of commission and advice fees less the fixed and variable fees payable to Dynamic Consult.
- The variable fee applies to total income (commission plus advice fees) and covers all commission and fees regardless of when products were sold — including first- and second-year commission, ongoing commission, PUF/CUF, upfront and ongoing advice or financial planning fees.
- No sign-on bonus is offered to any person other than a genuine new entrant authorised or appointed to give advice.
- No financial interest is offered to a representative that gives preference to the quantity of business secured over the quality of service or fair outcomes for clients, or that favours a specific product supplier or product where alternatives are available.

7. Governance and adoption

This Conflict of Interest Management Policy has been adopted by the governing body of Dynamic Consult JV (Pty) Ltd. It is communicated to all employees, representatives and, where appropriate, associates, and it is published and accessible for public inspection at reasonable times. The policy is reviewed annually, and the Compliance Officer reports on its implementation, monitoring, compliance and accessibility in the compliance reports submitted to the FSCA.

Questions about this policy?

Contact John Vermaak on 079 503 5597 or jvermaak@dynamicconsult.co.za.

A copy of this policy is available on request and is published on www.dynamicconsult.co.za.