



FINWAY
INTERNATIONAL

Conflict of Interest Management Policy

FSP name:	Finway International (Pty) Ltd.
FSP number:	571
Key Individual and Representative:	Theo-Haris Marcopoulos

Company Background

Finway International is a private owned company. The firm is regulated by the Financial Services Board (FSB), South Africa, and operates as a discretionary investment manager. Finway currently manages private client affairs, including collective investment and securities portfolios on behalf of its clients. As Finway operates independently from the respective administrators and stockbrokers where these portfolios are held, it thus ensures that its clients' assets are ring-fenced, leaving ownership of portfolios in the clients own names. The firm has an impeccable track-record, with no logged complaints since its inception in 1996.

The Key Individual is assisted by an investment management team consisting of three professionals; namely an investment strategist, a senior market analyst, and an economist. The team has a collective term of 68 years investment management experience and is wholly committed to the achievement of success, ensuring its clients' financial well-being in the long-term.

As required by its regulator, the FSB, the firm has in place professional indemnity cover and assurance, as well as fidelity cover in order to mitigate the risks involved in potential conflicts of interest. It further maintains and implements a conflict of interest policy which complies with all relevant regulatory Acts.

In terms of the Financial Advisory and Intermediary Services Act, 2002, Finway International is required to maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to identify, monitor and manage conflicts of interest. Finway International has put in place a policy to safeguard its clients' interests and ensure fair treatment of clients. The key information is summarised below. The key individual is responsible to monitor and manage conflicts of interest on behalf of Finway International.

Furthermore, the Key Individual, Representatives, Associates, and administrative personnel undertake to carry out said policy and processes associated with it, which is monitored on an on-going basis. Should any conflict of interests occur, these must be recorded and addressed accordingly.

Mission Statement on Conflict of Interest

Finway International is committed to ensuring that all business is conducted in accordance with good business practice. To this end, Finway International conducts business in an ethical and equitable manner and in a way that safeguards the interests of all stakeholders to minimize and manage all real and potential conflicts of interests. Like any financial services provider, Finway International is potentially exposed to conflicts of interest in relation to various activities. However, the protection of our clients' interests is our primary concern, and so our policy sets out how:

- we will identify circumstances which may give rise to actual or potential conflicts of interest entailing a material risk of damage to our clients' interests;
- we have established appropriate structures and systems to manage those conflicts; and
- we will maintain systems in an effort to prevent damage to our clients' interests through identified conflicts.

Understanding the Definitions

Conflict of Interest:

A conflict of interest may occur when in rendering a financial service to you we do not act objectively or do not render an unbiased or fair service to you or do not act in your interests, including but not limited to:

- a. a financial interest
- b. and ownership interest
- c. any relationship with a third party

A Financial Interest:

Any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, valuable consideration, other incentive or valuable consideration (exceeding R1000 per annum) 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. specialized technological systems of a third party necessary for the rendering of a financial service, but excluding travel and accommodation associated with that training

An Ownership Interest:

- i. any equity or proprietary interest for which a fair value was paid on acquisition other than such an interest held by a nominee
- ii. Includes any dividend, profit share or similar benefit derived from such interest.

Fair Value:

Has the meaning assigned to it in the Financial Reporting Standards adopted or issued under the Companies Act. 61 of 1973.

What are our Fees

We confirm that we will only receive financial interest from the our clients in the form of:

- i. Fees under the Long-Term Insurance Act. 52 of 1998; if these fees are reasonable commensurate to the service being rendered;
- ii. Fees for rendering a financial service in respect of which no commission or fees are paid as aforesaid, if those fees are specifically agreed to by the client in writing and may be stopped at the clients' discretion;
- iii. Fees or remuneration for the rendering of a service to a third party, which fees are reasonable commensurate to the service being rendered.
- iv. Subject to any other law, an immaterial financial interest;
- v. A financial interest for which a consideration, fair value or remuneration that is reasonably commensurate to the value of the financial interest, is paid at the time of receipt thereof.

Processes and Internal Controls

Finway international strives towards ensuring it is able to appropriately and effectively identify and manage potential conflicts. It may manage potential conflicts through avoidance, establishing confidentiality barriers or by providing appropriate disclosure of the conflict to affected clients.

In determining whether there is or may be a conflict of interest to which the policy applies, Finway international considers whether there is a material risk of damage to the client, taking into account whether Finway or a Finway 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 provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- has a financial or other incentive to favour the interest of another client or group of clients over the interests of the client;
- receives or will receive from a person other than the client, an inducement in relation to a service provided to the client in the form of monies, goods or services, other than the standard commission or fee for that service.
- Our policy defines possible conflicts of interest as:
 - conflicts of interest between Finway International and the client;
 - conflicts of interest between our clients if we are acting for different clients and the different interests conflict materially;
 - holding confidential information on clients which, if we would disclose or use, would affect the advice or services provided to clients.

Management of Conflicts of Interest

The measures Finway International has adopted to manage identified conflicts are summarized below. We consider them appropriate to our efforts to take reasonable care that, in relation to each identified potential conflict of interest, we act impartially to avoid a material risk of harming clients' interests.

Procedures:

We have adopted appropriate procedures throughout our business to manage potential conflicts of interests. Our mandatories and employees receive guidance and training in these procedures and they are subject to monitoring and review processes.

Confidentiality barriers:

Our mandatories and employees respect the confidentiality of client information and disclose or use it with circumspect. No such information may be disclosed to a third party without the written consent of a client.

Monitoring:

The key individual in charge of supervision and monitoring of this policy will regularly provide feedback on all related matters.

Inducements:

Inducements from third parties in relation to a service provided to clients are acceptable to Finway International only if they are appropriately disclosed to clients and if it is either the payment of a normal fee or commission to continue the quality of our services to clients and does not impair our duty to act in the best interest of clients.

Gifts:

Finway International employees will not accept any gifts other than those considered normal in their line of business. Excessive gifts from clients may result in a conflict of interest, which we are committed to avoiding.

Disclosure:

Where there is no other way of managing a conflict, or where the measures in place do not sufficiently protect clients' interests, the conflict will be disclosed to allow clients to make an informed decision on whether to continue using our service in the situation concerned. In all cases, where appropriate and where determinable, the monetary value of non-cash inducements will be disclosed to clients.

Declining to act:

We may decline to act for a client in cases where we believe the conflict of interest cannot be managed in any other way.