

Conflict of Interest Management Policy – Summary

Deacon & Associates is committed to treating clients fairly and ensuring that all financial services are rendered with integrity, objectivity and in the best interests of our clients. In line with the **Financial Advisory and Intermediary Services (FAIS) Act** and the **General Code of Conduct**, we have adopted a comprehensive Conflict of Interest Management Policy.

This summary outlines the key principles of our policy.

1. What is a Conflict of Interest?

A conflict of interest is any situation where a financial services provider or its representatives may have an actual or potential interest that could:

- Influence the **objective performance** of their duties
- Prevent them from rendering **unbiased and fair** financial services
- Affect their ability to act **in the client's best interest**

This includes financial interests, ownership interests, or relationships with third parties.

2. Purpose of the Policy

Our Conflict of Interest Management Policy aims to:

- Identify actual or potential conflicts of interest
- Implement measures to **avoid** conflicts where possible
- Mitigate conflicts that cannot be avoided
- Ensure **transparent disclosure** to clients
- Maintain internal controls to ensure ongoing compliance
- Outline consequences for non-compliance

3. Identifying Conflicts of Interest

All representatives and employees are required to assess whether any situation:

- Influences their objective performance
- Prevents them from acting fairly and without bias
- Prevents them from acting in the client's best interest

If any of these apply, the situation must be escalated for evaluation.

Internal controls include:

- Annual reviews of contracts and ownership relationships
- Quarterly conflict of interest declarations
- Maintenance of a Gift Register for items valued at R500 or more
- Immediate written disclosure of any actual or potential conflict

4. Avoiding and Mitigating Conflicts

When a conflict is identified:

Avoidance

If the conflict can be avoided, the governing body will:

- Remove the underlying cause
- Minimise any impact on clients
- Record the reasons and actions taken

Mitigation

If the conflict cannot be avoided:

- Measures will be implemented to reduce the impact
- Representatives will be informed
- Clients will receive written disclosure
- The conflict will be monitored continuously
- The matter will be reported in compliance reports to the FSCA

5. Disclosure to Clients

We are committed to full transparency. Where a conflict exists, clients will receive written disclosure that includes:

- The nature of the conflict
- Any relationship or arrangement with a third party
- Measures taken to avoid or mitigate the conflict
- Any financial or ownership interest (other than immaterial interests)
- How to access our full Conflict of Interest Management Policy

6. Compliance and Oversight

The governing body and the appointed Compliance Officer ensure ongoing adherence to the policy through:

- Training and awareness for all personnel
- Quarterly declarations
- Annual reviews of associates and ownership interests
- Maintenance of the Gift Register
- Regular policy reviews and updates
- Publication of the policy for public access

7. Consequences of Non-Compliance

Failure to disclose or manage a conflict of interest is treated as **serious misconduct**. Disciplinary action may include:

- Internal corrective measures
- Formal disciplinary proceedings
- Possible dismissal

For the full policy, please contact our office.