



GJM ULTRA BROKERS

Specialist financial planning for medical practitioners

GJM ULTRA BROKERS 1 (PTY) LTD

CONFLICT OF INTEREST MANAGEMENT POLICY 2021

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FSP Action Plan

Section 3A of the FAIS General Code of Conduct has been amended effective 26 December 2020, whereby the scope of requirements for Conflict of Interest have been altered and expanded to include a more principle based approach. It is critical for all FSPs to adopt these changes into their Conflict of Interest Policy, that related processes and procedures be updated and staff training is updated.

Step 1: Determine which parts of the policy are applicable to your FSP by determining if your FSP does or does not have representatives. If your FSP does not have representatives then you do not have to adopt the sections of this policy which are applicable to representatives but keep in mind that it is still applicable to you as the FSP.

Step 2: The Key Individual or Responsible person must:

- a) Review Sections 1 – 6 and identify the sections that are applicable to your FSP.
- b) Update and customise Sections 1 – 6 (including any applicable annexures) to ensure that your FSPs details and specific duties, depending on financial interest, remuneration structure are representatives included.

Step 3: Customised Conflict of Interest Policy to be signed off by the FSP.

Step 4: FSP must share the updated policy with staff or other persons who require updated training for Conflict of Interest.

Step 5: Implement policy and use the Conflict of Interest register. You do not have to implement a new Conflict of Interest register or format but must make sure that the register you are using is fit for purpose and is appropriate to capture, monitor and report on all Conflict of Interest situations.

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1. Introduction

In terms of the Financial Advisory and Intermediary Services Act, 2002, **GJM Ultra Brokers 1 (Pty) Ltd** is required to maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to identify, monitor and manage Conflict of Interest (“COI”). Section 3A(2)(a) of the FAIS General Code of Conduct (“GCOC”) stipulates that every financial services provider, other than a representative, must adopt, maintain and implement a conflict of interest management policy that complies with the provisions of the Act.

2. Purpose

The purpose of this policy is to comply with these obligations and provide for mechanisms in place to identify, mitigate and manage the conflicts of interest to which **GJM Ultra Brokers 1 (Pty) Ltd** is a party. In addition, to ensure alignment between the values of the organisation and the conduct of its people by safeguarding clients’ interests and ensuring the fair treatment of clients.

GJM Ultra Brokers 1 (Pty) Ltd is committed to ensuring that all business is conducted in accordance with good business practice. To this end, **GJM Ultra Brokers 1 (Pty) Ltd** conducts business in an ethical and equitable manner and in a way that safeguards the interests of all stakeholders to minimise and manage all real and potential conflicts of interests. Like any financial services provider, **GJM Ultra Brokers 1 (Pty) Ltd** 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 conflict of interest.

To achieve the objectives set out above, this policy sets out the rules, principles and standards of **GJM Ultra Brokers 1 (Pty) Ltd** COI management procedures, by documenting them in a clear and understandable format.

3. Scope of Application

This policy is applicable to **GJM Ultra Brokers 1 (Pty) Ltd**, all providers of **GJM Ultra Brokers 1 (Pty) Ltd**, key individuals, representatives, associates and administrative personnel. **GJM Ultra Brokers 1 (Pty) Ltd** is committed to ensuring compliance with this policy and the processes will be monitored on an ongoing basis.

Any non-compliance with the policy will be viewed in a severe light. Non-compliance will be subject to disciplinary procedures in terms of FAIS and employment conditions and can ultimately result in debarment or dismissal as applicable.

Avoidance, limitation or circumvention of this policy via an associate will be deemed non-compliance.

GJM Ultra Brokers 1 (Pty) Ltd is an authorized Financial Service Provider founded in 1999, FAIS License Number **26085**. **GJM Ultra Brokers 1 (Pty) Ltd** Short-term and long term division currently employs 22 staff members.

3.1. List of Product Providers:

Name of Business : GJM Ultra Brokers 1 (Pty) Ltd		
Product Provider Due Diligence		
Name of Product Provider	Contract Person At Provider	Contact Number
Sanlam	Ronel Grobler	011 288 0441
Allan Gray	Tyron Sneewe	086 000 0747
Old Mutual	Ingrid Hina	061 481 0731
Hollard	N/A	N/A
Momentum	N/A	N/A
PPS	Tyson Mnguni	063 216 1368
Discovery	Chanel Joubert	011 075 8200
Brightrock	Jandre Buys	072 611 9719
CIB	Peter Venter	011 455 5101 082 470 9754
Discovery Insure - Short Term	Jessica Van Rooyen	011 075 8212
Momentum - Short Term	Chantel Antunes	082 882 8319
PPS	Armand Mulder	072 604 2838
Auto & General	Justice Kekana	083 409 2283
CCIRC	Jacqui Gericke	011 793 2471
Alexander Forbes	Rialet Arlow	011 669 3185
Santam	Zimkhita Madliwa	011 479 9546 072 399 3571
Old Mutual	Genine Kleyhans	083 628 4688
Echelon	Randhir Seetaram	079 513 5898
King Price	Nadia Hohzhausen	012 001 0943
Rodel	Lindie Ungerer	087 830 7867

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3.2. GJM Ultra Brokers 1 (Pty) Ltd's TCF Processes (Treating Customers Fairly)

GJM Ultra Brokers 1 (Pty) Ltd, ensures that clients are at the very heart of all that we do. We are fully committed to providing the highest standards of client service and advice to the investors in our funds. The investors in our funds are our most valuable asset and our aim is to ensure we deliver a transparent, robust, reliable and cost-effective financial services.

As a part of our overall approach we are fully committed to treating our clients fairly and as such we endeavour to meet their expectations of high-quality service.

3.2.1. TCF Implementation

We have set out below how we aim to ensure these principles are embedded in our approach to dealing with our clients. **GJM Ultra Brokers 1 (Pty) Ltd**, understands the importance of treating the end customers fairly in relation to the investment management process and senior management has strived to implement **GJM Ultra Brokers 1 (Pty) Ltd's** TCF guidelines into its culture and practices.

Accordingly, **GJM Ultra Brokers 1 (Pty) Ltd** has implemented, the following practices:

Our Service

- We strive to always put the interests of the clients first.
- We have an unwavering commitment to the building of long-term sustainable and transparent clients relationships.
- We focus on providing excellent client service, which is embedded in the ethos of **GJM Ultra Brokers 1 (Pty) Ltd's** culture. We prioritise each interaction with our clients and endeavor to be excellent and professional whilst providing a fair and transparent service to each individual client.

We are uncompromising about applying ethics and good governance across all areas of our business.

3.2.2. GJM Ultra Brokers 1 (Pty) Ltd's Approach to TCF:

- Ownership
- Always put clients first
- Long-term thinking
- Team-based thinking

- Always act with integrity
- Strong performance culture

3.2.3. Complaints

We respond in a timely manner to our customers' and prospective customers' questions and queries and address any issues or concerns promptly. All customer complaints are dealt with and escalated as appropriate and as required by us in order to meet our obligations to our investors and our regulator.

GJM Ultra Brokers 1 (Pty) Ltd will address any issues or concerns promptly. All customer complaints are dealt with and escalated as required by us in order to meet our obligations to our investors and the Regulator.

Our policy is in line with the current guidance from the FSB and is in line with the principles of the FSB that "a firm must pay due regard to the interests of its customers and treat them fairly".

3.2.4. Achieving Outcomes

GJM Ultra Brokers 1 (Pty) Ltd, will demonstrate through our values, business practices and complaints procedures that we are treating customers fairly throughout the stages of the products life cycle to which we are able to contribute. These include:

Promotion and Marketing:

Appropriate products are marketed to specific target markets, through clear and fair communications that are not misleading.

Advice:

Our advisors are adequately trained to enable them to provide advice that is suitable to the needs of the customer concerned. They act in line with the objectives of the TCF and avoid conflicts of interest.

Point-of-sale (Pre-care):

We provide clear and fair information to enable customers to make informed decisions with regards to our products and services. Risks, commitments, limitations and charges are disclosed at the outset.

Information after point-of-sale (after-care):

We provide information on an ongoing basis to enable both our advisors and customers to monitor whether their needs are being met by the product or service selected.

Complaints and claims handling:

We honour representations, assurances and promises that lead to legitimate customer expectations. Legitimate expectations must not be frustrated by unreasonable post-sale barriers. Claims and complaints are handled timeously, fairly and consistently.

In order to fulfil our commitments to TCF, **GJM Ultra Brokers 1 (Pty) Ltd** will adhere to the following standards:

- We will follow the requirements of the FAIS General Code of Conduct.
- We will adhere to our Conflict of Interest policy.
- We will put mechanisms in place to enable us to monitor and measure our performance in delivering the relevant fairness outcomes.
- We will ensure that our staff are adequately trained and maintain high standards of service.
- We will not remunerate nor incentivize staff in a manner which will encourage dealing with customers in an unfair or biased manner.
- We will tell customers what they can expect from their relationship with us.
- We will provide appropriate after sales information and service to customers.
- We will monitor the performance of products or funds that we have recommended and sold to customers to assess the on-going suitability of the product for the customer
- We will ensure open communication lines with the product suppliers we deal with to ensure that we understand their products and services.
- We will review our TCF policy on an ad hoc basis but at least annually.
- We will encourage and welcome feedback from staff and customers on our services and procedures.
- We will train staff on our TCF policy on an ad hoc basis but at least annually.
- We will satisfy ourselves that those with whom we do business are committed to treating customers fairly.
- We will consider their TCF policy and the management information that they can provide to demonstrate the fair treatment of our customers.
- Our complaints procedure will be clear and easy to understand.

3.3. GJM Ultra Brokers 1 (Pty) Ltd's Monitoring Process

Representative monitoring process

Representatives under direct supervision	2 X Per Month
Representatives under ongoing supervision	1 X Per Month
Representatives (not under supervision)	Quarterly

MONITORING OF REPRESENTATIVES UNDER DIRECT SUPERVISION:	
Bi-Monthly	Review and update Supervision Training Plan
	Arrange training as may be required
	Set-up joint client meetings
	Conduct file sampling
	Performance Appraisal
Identify development areas and course of action	
Quarterly:	Fit and Proper Questionnaire

MONITORING OF REPRESENTATIVES UNDER ONGOING SUPERVISION:	
Monthly:	Review and update Supervision Training Plan
	Arrange training as may be required (industry, product, compliance)
	Set-up joint client meetings
	Conduct file sampling
	Performance Appraisal
Identify development areas and course of action	
Quarterly:	Fit and Proper Questionnaire

MONITORING OF REPRESENTATIVES (NOT UNDER SUPERVISION)	
Quarterly:	Performance Appraisal
	Fit and Proper Declaration
	File Sample
	Identify development areas and course of action
	Review Training Register and plan necessary training

Documentation for Monitoring purposes include:

- Supervision Training Plan
- Training Register
- Fit and Proper Declaration
- Performance Appraisal
- File Sample Checklist (Comprehensive)

- File Sample Checklist (Basic)
- Checklist for Key Individuals

4. Understanding Conflict of Interest

4.1. When is it a Conflict of Interest?

A COI means any situation in which GJM Ultra Brokers 1 (Pty) Ltd or one of our representatives has an actual or potential interest that may, in rendering a financial service to our clients -

- influence the objective performance of obligations to that client; or
- prevents us from rendering an unbiased and fair financial service, or
- prevents us from acting in the interests of that client.

An “actual or potential interest” includes, but is no limited to:

- A **financial interest**, which includes any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, valuable consideration, other incentive or valuable consideration which exceeds R1000 per calendar year.
- An **ownership interest** which means any equity or proprietary interest and any dividend, profit share or similar benefit derived from that equity or ownership interest.
- Any **relationship with a third party**, meaning any relationship with a product supplier, other FSP's, an associate of a product supplier or an associate of **GJM Ultra Brokers 1 (Pty) Ltd**. A third party also includes any other person who, in terms of an agreement or arrangement, provides a financial interest to **GJM Ultra Brokers 1 (Pty) Ltd** or its representatives.
- An **immaterial financial interest**, which is 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 provider who is a sole proprietor; or
 - a representative for that representative's direct benefit;
 - a provider, who for its benefit or that of some or all of its representatives, aggregates the immaterial financial interest paid to its representatives;

4.2. What Type of Financial Interest May We Give and Receive?

GJM Ultra Brokers 1 (Pty) Ltd and our representatives may only offer to and receive specific financial interests from a third party, which includes the following:

1. Commission as authorised under the Long-term Insurance Act (52 of 1998), the Short-term Insurance Act (53 of 1998) and the Medical Schemes Act (131 of 1998).
2. Fees as authorised under the Long-term Insurance Act (52 of 1998), the Short-term Insurance Act (53 of 1998) and the Medical Schemes Act (131 of 1998).
3. “Other fees” specifically agreed to by the client and which can be stopped by the client at their discretion but only if agreed in writing with the client, including details of the amount, frequency, payment method and recipient of those fees, as well as the details of services to be provided in exchange for the fees.
4. Fees or remuneration for services that were rendered to a third party.
5. An immaterial financial interest.
6. Any other financial interest not mentioned above for which a consideration, fair value or remuneration that is reasonably commensurate is paid by that provider or representative, at the time of receiving that financial interest.

4.3. On What Basis May We Give and Receive Financial Interests?

The financial interest referred to in points 2, 3, and 4 above may only be offered or received by **GJM Ultra Brokers 1 (Pty) Ltd** or its representatives, if:

- The financial interests are proportionate (reasonably commensurate) to the service being rendered, considering the nature of the service, the resources, skills and competencies that are reasonably required to perform it.
- The payment of those financial interests does not result in the **GJM Ultra Brokers 1 (Pty) Ltd** or representative being remunerated more than once for performing the same service.
- Any actual or potential conflicts between the interests of clients and the interests of the person receiving those financial interests are effectively mitigated; and
- The payment of those financial interests does not impede the delivery of fair outcomes to clients.

4.4. Financial Interests for Representatives of GJM Ultra Brokers 1 (Pty) Ltd

GJM Ultra Brokers 1 (Pty) Ltd may not offer any financial interest to a representative of GJM Ultra Brokers –

- For giving preference to a specific product of a product supplier, where a representative may recommend more than one product of that product supplier to a client.
- For giving preference to a specific product supplier, where a representative may recommend more than one product supplier to a client
- That is determined with reference to the quantity of business, without also giving due regard to the delivery of fair outcomes for clients.

In relation to delivery of fair outcomes for clients, **GJM Ultra Brokers 1 (Pty) Ltd** must demonstrate that a determination of a representative's entitlement to a financial interest, considers measurable indicators, relating to the:

- Achievement of minimum service level standards in respect of clients
- Delivery of fair outcomes for clients; and
- Quality of the representative's compliance with the FAIS Act.

The measurable indicators are agreed in writing between **GJM Ultra Brokers 1 (Pty) Ltd** and its representative and sufficient weight (significance) are attached to these indicators to materially mitigate the risk of the representative(s) giving preference to the quantity of business secured for **GJM Ultra Brokers 1 (Pty) Ltd** over the fair treatment of clients.

GJM Ultra Brokers 1 (Pty) Ltd does not offer a sign-on bonus to any person, other than a new entrant, as an incentive to become a provider authorised or appointed to give advice.

The way in which **GJM Ultra Brokers 1 (Pty) Ltd** remunerates its representatives and complies with these requirements, is set out in section 6 of this policy.

5. Processes and Internal Controls to Manage Conflict of Interest

5.1. Identification of Conflict of Interest

To adequately manage COI, **GJM Ultra Brokers 1 (Pty) Ltd** must identify all relevant conflicts timeously. In determining whether there is or may be a COI to which the policy applies, **GJM Ultra Brokers 1 (Pty) Ltd** considers whether there is a material risk of unfair treatment or bias for the client, taking into account whether **GJM Ultra Brokers 1 (Pty) Ltd** or its 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 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, group of clients or any other third party 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 legislated commission or reasonable fee for that service.

Our policy defines possible conflict of interest or examples of conflict of interest as, inter alia,-

- Between **GJM Ultra Brokers 1 (Pty) Ltd** and a client. For example, where a client wants to exercise gratuity by giving the Representative a monetary gift,
- Between our clients if we are acting for different clients and the different interests' conflict materially for example married couples, business partnerships.
- Where associates, product suppliers, distribution channels (*see annexure F*) or any other third party is involved in the rendering of a financial service to a client, for example: voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, valuable consideration, other incentive or valuable consideration which exceeds R1000 per calendar year.
- Storing confidential information on clients which, if we would disclose or use, would affect the advice or services provided to clients.

All employees, including internal compliance officers and management, are responsible for identifying specific instances of conflict and are required to notify the Key Individual of any conflicts they become aware of. The Key Individual will assess the implications of the conflict and how the conflict should be managed, acting impartially to avoid a material risk of harming clients' interests.

5.2. Measures for Avoidance and Mitigation of Conflict of Interest

To ensure that **GJM Ultra Brokers 1 (Pty) Ltd** can identify, avoid and mitigate COI situations, **GJM Ultra Brokers 1 (Pty) Ltd** creates awareness and knowledge of applicable stipulations, through training and educational material. Where a COI situation cannot be avoided, these instances are recorded on the **GJM Ultra Brokers 1 (Pty) Ltd's** conflict of interest register.

GJM Ultra Brokers 1 (Pty) Ltd ensures the understanding and adoption of its Conflict of Interest Policy and management measures by all employees, representatives and associates through training on the COI policy.

The Key Individual will assess each conflict, including whether the conflict is actual or perceived, what the value of the conflict or exposure is and the potential reputational risk. Compliance and management then agree on the controls that need to be put in place to manage the conflict. Once a conflict of interest has been identified it needs to be appropriately and adequately managed and disclosed, in line with the steps mentioned below.

5.3. Measures for Mandatory Disclosure of Conflict of Interest

Where there is no other way of managing a conflict, or where the measures in place do not sufficiently protect clients' interests, the conflict must 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. The Key Individual will ensure transparency and manage conflict of interests. The client must be informed on the Conflict of Interest Policy and where they may access the policy.

5.4. Ongoing Monitoring of Conflict of Interest Management

Tanya Van Niekerk is in charge of supervision and monitoring of this policy and will regularly monitor and assess all related matters. **GJM Ultra Brokers 1 (Pty) Ltd** will conduct *ad hoc* checks on business transactions to ensure the policy has been complied with.

The Compliance Officer will include monitoring of the Conflict of Interest policy as part of his/her general monitoring duties and will report thereon in the annual compliance report.

This policy shall be reviewed annually and updated if applicable. The compliance function is outsourced to an external Compliance company with no shareholding in **GJM Ultra Brokers 1 (Pty) Ltd**. The Compliance practice functions objectively and sufficiently independently of **GJM Ultra Brokers 1 (Pty) Ltd** and monitors the process, procedures and policies that it has adopted to avoid conflicts of interest.

5.5. Training and Staff

Comprehensive training on the Conflict of Interest is provided to all employees and representatives as part of specific and/or general training on the FAIS Act and GCOC (General Code of Conduct).

Training will be incorporated as part of all new appointees' induction. Ongoing and refresher training on **GJM Ultra Brokers 1 (Pty) Ltd's** Conflict of Interest management processes and policy is provided on an annual basis.

5.6. Registers

With regard to existing third-party relationships, being the product suppliers listed in our Contact Stage Disclosure letter, we confirm that there are no circumstances which could lead to a potential conflict of interest. Should any conflicts arise with regard to any of these, prior to entering into any business transaction with you, we undertake to disclose these in the registers below.

All gifts, financial interest, immaterial financial interest and any other COI situations as outlined in this policy, must be recorded in **GJM Ultra Brokers 1 (Pty) Ltd's** COI register, attached as Annexure A.

5.7. Consequences of Non-Compliance

1. The FAIS Act provides for penalties in the event that a person is found guilty of contravening the Act, or of non-compliance with the provisions of the Act. The penalty for non-compliance of specific provisions of the Act, is an amount of up to R1 million or a period of imprisonment for up to 10 years.
2. The Registrar of FAIS is empowered to refer instances of non-compliance to an Enforcement Committee of the FSCA that may impose administrative penalties on offenders.
3. The FAIS Act also gives the Registrar the powers to revoke the license of a FSP.

6. Remuneration Policy

This section of the Policy specifies the type of and the basis on which a representative of **GJM Ultra Brokers 1 (Pty) Ltd** will qualify for a financial interest that it offers and motivates how that financial interest complies with the requirements of this policy.

Our remuneration policy is as follows:

“Remuneration within **GJM Ultra Brokers 1 (Pty) Ltd** is aligned to corporate strategy and in adherence to principles of good corporate governance, as depicted in “best practice” and regulatory frameworks (e.g. King IV) and with the requirements of the Companies Act (2008).

The remuneration policy of **GJM Ultra Brokers 1 (Pty) Ltd** is to promote/support positive outcomes across the economic and social context in which the company operates and to promote and ethical culture and responsible corporate citizenship.

The company’s remuneration philosophy is to recruit, motivate, reward and retain employees who believe in, and live by, our culture and values. We are creating a working environment that motivates high performance so that all employees can positively contribute to the strategy, vision, goals and values of the business.

Principles

The remuneration policy is informed by the following principles, which are aligned with the concept of Total Remuneration for staff.

Total Remuneration includes the components of:

1. Commission
2. Asset based fees
3. Guaranteed pay and benefits
4. Performance-variable pay (short term incentives). With an appropriate ‘pay mix’ designed to achieve a balanced focus on achievable organisational goals and personal objectives in each case

The two guiding principles are as follows:

- Commission remuneration packages are aligned to our performances-orientated philosophy.
- Short-term incentives reward high-performing employees for their performance contribution to the group, divisional cluster and division in which they work. Key team / individual performance metrics are based on scorecard of economic, social and environmental targets.

Remuneration Structure

The remuneration structure is made up of the three components of Total Remuneration:

- Commission and asset based fees: mostly structured for representatives in the business that gives advice and intermediary services.
- Total Guaranteed Package (TGP): incorporating basic pay, vehicle allowance, provident fund (superannuation), medical aid, leave and various other allowances (where applicable).
- Short-Term Incentives (STIs): performance-based bonuses that are dependent on company and individual performances during the particular financial year.”

GJM Ultra Brokers 1 (Pty) Ltd carries out regular inspections on all commissions, remuneration, fees and financial interests proposed or received in order to avoid non-compliance.

7. Annexures

Annexure A – Conflict of Interest Register

Type	Date Received	From	To	Reason	Value	Approved?	Approver	Sign
Choose an item.						Yes/No		
Choose an item.						Yes/No		
Choose an item.						Yes/No		
Choose an item.						Yes/No		
Choose an item.						Yes/No		
Choose an item.						Yes/No		
Choose an item.						Yes/No		
Choose an item.						Yes/No		

We take pride therein that our advice is objective and free of external influence, but wish to disclose to you, our valued client, that we have received the following financial interests and wish to disclose the value and the reason for receiving the financial interests.

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Annexure B – Policy Adoption and Version Control

Date	Version	Detail of change or amendment	Person	Signature

Policy Owner: Tanya Van Niekerk

Annexure C – Financial Interest Received

Financial Interest Received

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. Specialised technological systems of a third party necessary for the rendering of a financial service, but excluding travel and accommodation associated with that training.

Description	Date Received	From	Reason	Value

Annexure E – Ownership Interest

Ownership Interest

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. This includes any dividend, profit share or similar benefit derived from that equity or ownership interest.

Company Name	Percentage Ownership	Date Obtained

Annexure F – Additional Definitions

Associate

- (a) In relation to a natural person, means–
- (i) a person who is recognised in law or the tenets of religion as the spouse, life partner or civil union partner of that person;
 - (ii) a child of that person, including a stepchild, adopted child and a child born out of wedlock;
 - (iii) a parent or stepparent of that person;
 - (iv) a person in respect of which that person is recognised in law or appointed by a Court as the person legally responsible for managing the affairs of or meeting the daily care needs of the first mentioned person;
 - (v) a person who is the spouse, life partner or civil union partner of a person referred to in subparagraphs (ii) to (iv);
 - (vi) a person who is in a commercial partnership with that person;
- (b) in relation to a juristic person–
- (i) which is a company, means any subsidiary or holding company of that company, any other subsidiary of that holding company and any other company of which that holding company is a subsidiary;
 - (ii) which is a close corporation registered under the Close Corporations Act, 1984 (Act No. 69 of 1984), means any member thereof as defined in section 1 of that Act;
 - (iii) which is not a company or a close corporation as referred to in subparagraphs (i) or (ii), means another juristic person which would have been a subsidiary or holding company of the first-mentioned juristic person–
 - (aa) had such first-mentioned juristic person been a company; or
 - (bb) in the case where that other juristic person, too, is not a company, had both the first-mentioned juristic person and that other juristic person been a company;
 - (iv) means any person in accordance with whose directions or instructions the board of directors of or, in the case where such juristic person is not a company, the governing body of such juristic person is accustomed to act;
- (c) in relation to any person–
- (i) means any juristic person of which the board of directors or, in the case where such juristic person is not a company, of which the governing body is accustomed to act in accordance with the directions or instructions of the person first-mentioned in this paragraph;
 - (ii) includes any trust controlled or administered by that person.

Fair Value

Has the meaning assigned to it in the financial reporting standards adopted or issued under the Companies Act, 61 of 1973.

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

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.

New Entrant

Is a person who has never been authorised as a financial services provider or appointed as a representative by any FSP.

No-claim bonus means

Any benefit that is directly or indirectly provided or made available to a client by a product supplier in the event that the client does not claim or does not make a certain claim under a financial product within a specified period of time.

Measured Entity

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

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

Sign-On Bonus means

- (a) any financial interest offered or received directly or indirectly, upfront or deferred, and with or without conditions, as an incentive to become a provider; and
- (b) a financial interest referred to in paragraph (a) includes but is not limited to—
 - (i) compensation for the—
 - (aa) potential or actual loss of any benefit including any form of income, or part thereof;
 - or
 - (bb) cost associated with the establishment of a provider's business or operations, including the sourcing of business, relating to the rendering of financial services; or
 - (ii) a loan, advance, credit facility or any other similar arrangement.