

## **POLICY ON CONFLICT OF INTEREST**

### **1. Introduction**

In terms of the financial Advisory and intermediary Services Act, 2002, Infinite Credit is required to maintain and operate effective organisational and administrative arrangement with a view to taking all reasonable steps to identify, monitor and manage conflicts of interest. Infinite Credit has put in place a policy to safeguard its clients' interest and ensure fair treatment of clients. The key information is summarised below. Detailed information can be obtained on request from the key individual who is responsible to monitor and manage conflicts of on behalf of Infinite Credit Risk Management.

### **2. Our objectives**

Infinite Credit is an authorized financial services provider, providing to its client's advice and intermediary services on short-term insurance products and long term products. Like any financial services provider, Infinite Credit is potentially exposed to conflicts of interest in relation to various activities. However, the protection of our clients' interest is our primary concern and so our policy set out how.

- We will identify circumstances which may give rise to rise to actual or potential conflicts of interest entailing a material risk of damage to our client' interest;
- 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

### **3. Conflicts of interest Definitions**

Infinite Credit 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 client. In determining whether there is or may be a conflict of interest to which the policy applies, Infinite Credit considers whether there is a material risk of damage to the client, taking into account whether Infinite Credit or a Infinite Credit 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 services 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 interest 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.

**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 services provided to clients are acceptable to Infinite Credit 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 client and does not impair our duty to act in the best interest of clients.

**Gifts:**

- Infinite Credit 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 out 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 conflicts of interest cannot be managed in any other way.

Our policy defines possible conflict of interest as:

- Conflicts of interest between Infinite Credit 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 client which, we would disclose or use, would affect the advice or services provided to client.

### **Personal interest includes:**

- Instances where the FSP sells the product of a smaller product provider company in which the FSP has a financial interest for example, is a shareholder in the company.
- Instances where the interest is other than a reasonable amount of commission
- Instances where the FSP partakes in some sort of profit share with the product provider company.

### **Non cash incentives include:**

- Off share trips, seminars, holidays or other substantial gifts offered where there is an expectation to do, give or provide something in return for the product provider
- Prizes or incentive offered to the FSP to reach a certain sales target for a specific product
- Special commission rate given to the FSP if the FSP sell's a certain product
- Small gifts such as lunches, golf days, rugby tickets, promotional will also be recorded in the register of non-cash incentives.

### **Procedures**

Whenever the FSP renders a financial service, it must disclose the existence of any personal interest in the relevant services or any circumstances which gives rise to

an actual or potential conflict of interest in relation to such service and take all responsible steps to ensure fair treatment of the client.

Non-cash incentives offered and /or other indirect consideration payable by another provider a product supplier or any other person to the FSP could be viewed as potential conflict of interest.

Disclosure will take the form of a specific disclosure of any personal interest in a specific service as well as a general disclosure regarding non-cash incentives in the Fop's contact stage disclosure letter, as well as the maintenance of a register of non-cash incentives.

The details of any non-cash incentives offered, and /or indirect consideration paid to the FSP by any other FSP, a product supplier or any other person will be recorded in the non-cash incentive register. The register will be available on the premises should a client wish to obtain further details.

#### **IMPORTANT NOTE**

The terms and conditions set out in this document can relaxed in terms of the legislation and regulation as amended from time to time in terms of contributions incentives and payments made in terms of Enterprise Development in terms of the Financial Services Sector.