

HALFWAY SERVICE STATION PTY LTD T/A HALFWAY TOYOTA SCOTTBURGH

CONFLICTS OF INTEREST MANAGEMENT POLICY

Introduction

In terms of the Financial Advisory and Intermediary Services Act, Act No 37 of 2002 and its subordinate legislation, Halfway Service station Pty Ltd T/A Halfway Toyota Scottburgh is required to maintain and operate effective organizational and administrative arrangements with a view to taking all reasonable steps to identify, monitor and manage a conflict of interest.

Our success is based on building long term relationships with clients, staff and suppliers which is supported by the number of industry awards that we have received. Consequently, there has to exist a duty of loyalty and fidelity by management and staff who have the responsibility of administering our affairs honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of clients.

Those persons must exercise the utmost good faith in all transactions involved in their duties, and they must not use their positions within the company or knowledge gained there for their personal benefit.

We have put in place a policy to ensure fair treatment and safeguard our client's interests. The key formation is summarized below.

Conflict of Interest means any situation in which a provider or a representative has an actual or potential interest that may, in rendering a financial service to a client;

- Influence the objective performance of his, her or its obligations to the client or;
- Prevent the provider or representative from rendering an unbiased and fair financial service to that client or from acting the interests of that client

Including but not limited to

- A financial interest
- An ownership interest
- Any relationship with a third party

Our objectives

Halfway Service Station Pty Ltd T/A Halfway Toyota Scottburgh is an authorized financial services provider. Any financial services provider, such as Halfway Service Station Pty Ltd T/A Halfway Toyota Scottburgh, is potentially exposed to a conflict of interest in relation to various

activities. However, the protection of our client's interests is our primary concern as stated in our policy:

1. We have identified areas in which conflicts of interest may arise
2. we have established appropriate structures and systems to manage this conflict; and
3. We will maintain systems in an effort to prevent damage to our clients' interests through identified conflict.

Potential areas in which conflict of interest may arise

In determining whether there is or may be a conflict of interest to which the policy applies, Halfway Service Station Pty Ltd T/A Halfway Toyota Scottburgh considers whether there is a material risk of damage to the client, taking into account whether Halfway Service Station Pty Ltd T/A Halfway Toyota Scottburgh, a representative or an employee thereof –

- 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 favor the interest of another client or group of clients over the client's interests;
- receives or shall 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.

In respect of Halfway Service Station Pty Ltd T/A Halfway Toyota Scottburgh we have indentified the following areas where conflicts of interests may arise

- conflict of interest between Halfway Service Station Pty Ltd T/A Halfway Toyota Scottburgh and the client;
- a conflict 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 disclosed or utilized, would affect the advice or services provided to clients.

The list of areas where conflicts of interests may arise is not conclusive. These areas will be reviewed continuously. Employees are expected to act in the best interests of clients at all times. It is therefore their responsibility to avoid any conflicts of interests and where avoidance is not possible, ensure that all conflicts of interests are disclosed to clients to enable them to make an informed decision at all times.

Associate companies

Scottfin Insurance Brokers- leads are sent to Scottfin insurance brokers for purposes of providing

clients with quotes for comprehensive insurance.

Guardrisk- we own a cell captive within this company. They provide insurance products in respect of purchaser's protection plan, credit shortfall, mechanical breakdown warranty, bodyline warranty and tyre and rim warranty.

International Underwriters and Administrators- provides administration services to Guardrisk Insurance Company, our cell captive with whom we place insurance products in respect of purchase protection plan.

Measures of avoidance/ mitigation.

The measures Halfway Service Station Pty Ltd T/A Halfway Toyota Scottburgh have adopted to manage identified conflict is summarized below. We consider them appropriate in our efforts to ensure that reasonable care is taken, in relation to each identified potential conflict of interest, and to act impartially to avoid a material risk of harming clients' interests.

1. **Confidentiality barriers:** Our mandatory's 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.
2. **Monitoring:** The key individual in charge of supervision and monitoring of this policy will regularly provide feedback on all related matters.
3. **Inducements:** Inducements from third parties in relation to services provided to clients are acceptable to Halfway Service Station Pty Ltd T/A Halfway Toyota Scottburgh 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 would not impair our duty to act in the best interest of clients.
4. **Gifts:** Halfway Service Station Pty Ltd T/A Halfway Toyota Scottburgh employees will not accept any gifts. Excessive gifts from clients may result in a conflict of interest, which we are committed to avoiding.
5. **Disclosure:** Where there is no other way of managing a conflict or where the measures in place do not sufficiently protect client's interests, the conflict will be disclosed on the documents provided to clients and verbally by our representatives 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 will be disclosed to clients.
6. **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.

Procedures to facilitate compliance with the policy

We have adopted appropriate procedures throughout our business to manage a potential conflict of interest. Our mandatory's and employees receive guidance and training in these procedures and they are subject to monitoring and review processes. Every employee is expected to adhere to the provisions of this policy:

Consequences of non compliance

- Disciplinary action against the individual, which may include sanctions to the employment terms and conditions
- Debarment where fit and proper requirements are no longer met
- Considering the materiality of non compliance, dismissal may be effected

This policy will be reviewed annually to implement any change in our company structure and include any other areas where conflicts of interest may arise which have not been included here.