financial services

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CONFLICT OF INTEREST MANAGEMENT POLICY

Adopted in terms of section 3A of the General Code of Conduct for Authorised Financial Services Providers and their Representatives

POLICY DETAILS

FSP	4E Financial Services CC (FSP 3000), Reg. No. 1997/041565/23
Policy owner	NJD Fourie, Key Individual
Compliance officer	Masthead (Pty) Ltd, Cape Town office · 021 555 4121 · ctown@masthead.co.za
Version	1.0, October 2026
Next review	October 2027, or earlier if the business changes

1. INTRODUCTION AND PURPOSE

Section 3A(2)(a) of the General Code of Conduct ("the Code") requires every authorised financial services provider to adopt, maintain and implement a conflict of interest management policy, and to publish it on its website. This policy sets out how 4E Financial Services CC ("4E" or "the FSP") identifies, avoids, mitigates, discloses and monitors conflicts of interest, so that the advice and services our clients receive are fair, objective and in their best interests.

It supports the Treating Customers Fairly (TCF) outcomes and forms part of 4E's risk management and compliance programme.

2. SCOPE

This policy applies to the FSP, its members, its Key Individual, all representatives, all administrative staff and any associate of the FSP. Avoiding, limiting or getting around this policy through an associate is treated as non-compliance.

3. ABOUT 4E FINANCIAL SERVICES

4E is a close corporation established in 1997. It provides advice and intermediary services in long-term insurance, short-term insurance, retirement and pension fund benefits, collective investment schemes, deposits and health service benefits, using the products of a range of product suppliers.

Person	Role	Notes
NJD Fourie	Member, Key Individual and representative	Member's interest: 100%
DJ Siebrits	Representative	
IL Fourie	Representative	Daughter of NJD Fourie (an associate – see section 6)
J van Niekerk	Administration and complaints	Not a representative

4. WHAT IS A CONFLICT OF INTEREST?

A conflict of interest is any situation in which 4E or one of its representatives has an actual or potential interest that may, when rendering a financial service to a client:

- influence the objective performance of our obligations to that client;
- prevent us from rendering an unbiased and fair financial service to that client; or

- prevent us from acting in the interests of that client.

An interest includes:

- a **financial interest**: any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, travel, hospitality, accommodation, sponsorship or other incentive or valuable consideration (excluding an ownership interest and qualifying training);
- an **ownership interest**: any equity or proprietary interest, and any dividend, profit share or similar benefit derived from it; and
- a **relationship with a third party**: a product supplier, another FSP, an associate of either, a distribution channel, or anyone who provides a financial interest to the FSP or its representatives.

An **immaterial financial interest** is a financial interest with a determinable monetary value that does not exceed R1 000 in total in any calendar year from the same third party.

5. FINANCIAL INTERESTS WE MAY RECEIVE OR OFFER

4E and its representatives may only receive or offer the following financial interests from or to a third party:

- commission authorised under the Long-term Insurance Act, the Short-term Insurance Act or the Medical Schemes Act;
- fees authorised under those Acts;
- fees specifically agreed to by the client in writing, which the client can stop at any time. The agreement records the amount, frequency, payment method, recipient and the services to be provided in exchange;
- fees or remuneration for services rendered to a third party, where those services are reasonably commensurate with the fee;
- immaterial financial interests (less than R1 000 per third party per calendar year); and
- any other financial interest for which 4E or the representative pays fair value at the time it is received.

Fees and remuneration in points 2 to 4 may only be received if they are reasonably commensurate with the service rendered, do not result in being paid more than once for the same service, do not create a conflict that is not effectively mitigated, and do not impede the delivery of fair outcomes to clients.

6. OWNERSHIP INTERESTS, ASSOCIATES AND THIRD-PARTY RELATIONSHIPS

- 4E does not hold an ownership interest in any product supplier, and no product supplier holds an ownership interest in 4E.
- 4E deals with product suppliers through their standard channels for independent financial advisers, on the same terms that are available to other independent FSPs. 4E's short-term insurance business is administered through Cross Point, an independent administration house that pays over commission from several short-term insurers (13.9% of 4E's total commission in the year to February 2026). Cross Point is not a product supplier or a single supplier's distribution channel. 4E holds no interest in Cross Point and Cross Point holds no interest in 4E. 4E is not a member of a broker network or association, and has no arrangement under which a product supplier provides it with support, services or benefits beyond those standard terms.
- **Associates of 4E:** its member(s) and their associates. IL Fourie, a representative, is the daughter of NJD Fourie. Her remuneration is set out in section 8, and her work is monitored in the same way as other representatives.
- No member, representative or close family member owns, works for or has a material business relationship with a product supplier.
- Masthead (Pty) Ltd, our external compliance officer, holds no ownership interest in 4E and acts independently of it.

4E does not hold more than 10% of the shares of any product supplier. In the 12 months from 1 March 2025 to 28 February 2026, 4E received more than 30% of its total remuneration from **Momentum** (about 35%). No other product supplier exceeded 30%. This test is repeated every year, and the result is disclosed to clients in our disclosure documents.

7. CONFLICTS IDENTIFIED AT 4E AND HOW WE MANAGE THEM

Potential conflict	How it is managed
Commission rates differ between product suppliers and products.	Recommendations are based on a documented needs analysis. The reasons for the recommendation are recorded in the record of advice, including why a product was chosen over alternatives. The Key Individual reviews new business samples.
Representatives' remuneration is linked to the commission and fees they generate (directly or through a bonus), which could encourage volume over quality.	Remuneration does not depend on which product supplier or product is used. Fair-outcome indicators are part of each representative's annual assessment (section 8). The Key Individual monitors representatives every quarter, including new business, replacements and complaints.
Advice fees are a percentage of the investment (initial and/or ongoing), which could encourage recommending larger or longer investments.	Fees are agreed in writing before they are charged, with the amount, frequency and services stated. Clients may stop ongoing fees at any time. Ongoing fees are linked to an annual review service.
Replacing an existing policy or investment generates new commission.	Replacements are only recommended where they are in the client's interest. The full replacement disclosures required by the Code are made, and the Key Individual reviews replacements.
Gifts and hospitality from product suppliers (for example year-end gifts).	All gifts are recorded in the register (Annexure A), whatever their value. The R1 000 per supplier per calendar year limit applies. Anything that could influence advice is declined.
Family relationships within the FSP.	Remuneration agreements are set in writing and reviewed every year. Supervision and quarterly monitoring apply to all representatives in the same way, and Masthead provides independent compliance monitoring.
A large share of business with one product supplier.	The 30% test is done every year and the result is disclosed. In the year to February 2026, Momentum exceeded 30%. Advice continues to be based on a needs analysis with documented reasons for the product chosen, and the Key Individual's quarterly monitoring checks that Momentum products are recommended only where suitable.
Acting for more than one client whose interests may conflict (for example spouses, business partners or family members).	The conflict is disclosed to the clients concerned. Where it cannot be managed fairly, 4E declines to act for one or both.
Access to confidential client information.	Client information is used only for the purpose for which it was given, in line with our Privacy Notice and POPIA.

8. REMUNERATION POLICY

How 4E is remunerated

- **Commission** from product suppliers, at the rates allowed by the relevant legislation and disclosed in product documents.
- **Advice fees** charged as a percentage of the investment. These are an initial fee and/or an ongoing fee, agreed with the client in writing before they are charged. Clients may stop ongoing fees at any time.
- **Immaterial financial interests** within the R1 000 annual limit.

How representatives are remunerated

- **DJ Siebrits** receives the commission and advice fees on clients linked to his code, less a fixed monthly amount that 4E keeps for business overheads.
- **IL Fourie** receives a fixed monthly salary and a discretionary annual bonus that takes into account the commission she earned during the year and her contribution to business operations.

- Neither arrangement depends on which product supplier or product is used. No bonus, incentive or other financial interest is offered for preferring a specific product supplier or product. Both agreements are reviewed every year.
- No sign-on bonus is offered to anyone except a new entrant to the industry, as the Code allows.

Fair-outcome indicators

Because both representatives' remuneration relates to the commission they generate, 4E also gives due regard to the delivery of fair outcomes. The indicators below are included in each representative's annual remuneration agreement, using the schedule "Annual fair-outcome indicators". The Key Individual monitors them quarterly and considers them at the annual remuneration review. None of the indicators rewards sales volume.

Area	Indicator	Target	Measured from
Service	Annual reviews done for clients who pay ongoing advice fees	100% within 12 months	atWORK
Complaints	Complaints about the representative's advice or service that are upheld	None; any upheld complaint is discussed with the KI	Complaints register
Fair outcomes	New risk policies lapsed or cancelled within 12 months	Below 10%	Premature cancellations register
Fair outcomes	Replacements: replacement comparison completed and reasons recorded	100%; KI reviews if replacements exceed 20% of new business	Quarterly sample of records of advice
Advice quality	Records of advice in the quarterly KI sample are complete (needs analysis, reasons, disclosure given)	100%; no material findings	KI review

Where an indicator is not met, the Key Individual discusses it with the representative and agrees on corrective action, which is recorded on the schedule. If the concern continues, or is serious, it is taken into account in the representative's remuneration (through the remuneration agreement or, for a representative who earns a salary, the discretionary bonus) and may affect the representative's appointment.

9. DISCLOSURE TO CLIENTS

Clients are informed of this policy, and of how to get it, in our contact stage disclosure and on our website. Where a conflict cannot be avoided or adequately mitigated, it is disclosed to the client in writing before the financial service is rendered, together with the nature and, where determinable, the value of any financial interest involved. This allows the client to make an informed decision.

10. REGISTER

All financial interests received or offered (including immaterial ones), gifts, hospitality and identified conflicts are recorded in the Conflict of Interest Register (Annexure A). The register is kept by Janice van Niekerk, reviewed by the Key Individual every quarter, and made available to the compliance officer.

11. MONITORING, TRAINING AND REVIEW

- The Key Individual monitors representatives every quarter for compliance purposes, including checks of new business, replacements and fee agreements.
- Masthead (Pty) Ltd includes this policy in its compliance monitoring and annual compliance report.
- All staff and representatives receive this policy on appointment and confirm each year that they have read and understood it.
- This policy is reviewed at least once a year and whenever the business changes.

12. NON-COMPLIANCE

A breach of this policy is a serious matter. It may lead to disciplinary action and, for representatives, debarment in terms of section 14 of the FAIS Act.

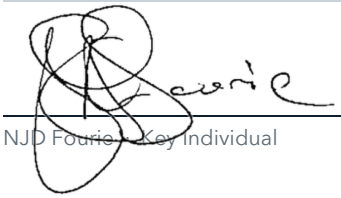
ANNEXURE A – CONFLICT OF INTEREST REGISTER

Date	Type	From	To	Description / reason	Value (R)	Approved by

Type: financial interest, immaterial financial interest, gift, hospitality, ownership interest, relationship, other conflict.

ANNEXURE B – ADOPTION AND VERSION CONTROL

Version	Date	Change	Approved by
1.0	October 2026	Policy adopted	NJD Fourie



NJD Fourie – Key Individual

14 October 2026

Date