

Policy Name: Conflict of Interest Management Policy

Approved By: AssetHouse Board of Directors

Date: May 2014

Policy Statement

The business of AssetHouse is built on trust and integrity as perceived by our stakeholders, especially our clients, shareholders and regulators.

An important element of trust and integrity is ensuring that AssetHouse conducts its business in accordance with the values and Code of Conduct that the Company has adopted and in compliance with applicable acts, codes, rules and standards.

This Policy sets out the management of Conflicts of Interest as required by the Code and addresses the following:

- Mechanisms used to identify Conflicts of Interest.
- Measures for avoidance and mitigation of Conflicts of Interest.
- Processes and procedures to ensure compliance with this Policy.
- Consequences of non-compliance with this Policy.
- Details of the types of Financial Interests that Representative may receive.
- Basis on which any Financial Interest is received.

Applicability

This Policy applies to AssetHouse and all Staff within the Company, regardless of location or business unit.

Policy

Overview

The Company supports customer protection and all measures to improve the integrity of the Mauritius as a centre for financial services and have taken all reasonable steps to ensure that we comply with customer protection legislation. The FSC is integral in protecting customers and requires all licensees to meet their obligations as set out for the financial services sector.

Compliance

- The FSC is a Mauritian regulatory body that oversees compliance with the legislation. As a licensee, we comply with the requirements prescribed by the FSC.
- The Company's compliance function is established as part of its risk management framework. The board committee responsible for Risk Management is responsible for ensuring the monitoring of compliance with this Policy. Non-compliance must be reported in line with the normal governance reporting mechanisms.

Conflicts of Interest

- A Conflict of Interest may occur when rendering a financial service to an existing or potential customer. Such conflict may occur when the AssetHouse does not act objectively or does not render

an unbiased or fair service to an existing or potential customer or does not act in a customer's best interests. A conflict may also occur when AssetHouse receives a financial interest from a Third Party.

- In terms of the Policy, AssetHouse must take all necessary steps to eliminate any practices and/or services that may create a conflict between their own interests and the interests of customers.
- The Gift Policy requires AssetHouse to keep a register through which all employees must report gifts offered or received. The board committee and Compliance Officer have access to the register to facilitate compliance with the requirements of this Policy.
- Any Conflict of Interest situation must be avoided. Where it is not possible to avoid any act, action or reward that may create a Conflict of Interest, appropriate steps must be taken to mitigate the impact and must be appropriately disclosed to an existing or potential customer at the earliest reasonable opportunity.

Identifying Conflicts of Interest

To identify a Conflict of Interest, the following must be applied by AssetHouse:

- Analysis of all AssetHouse products.
- Analysis of Third Party relationships with AssetHouse.
- The types of Financial Interests received and/or offered.
- Commission or Incentive based remuneration models for Representatives must be signed off by the board of the Company.
- Appropriate rules must be put in place around the receipt or offering of Immaterial Financial Interests in keeping with Gift Policies.
- Regularly reviewing all disclosures in terms of the acts, codes and guidelines to ensure appropriate identification and disclosure of Conflicts of Interest.

Managing Conflicts of Interest

Non-compliance with this Policy must be escalated to the relevant board committee and Compliance Officer, together with a recommendation as to the measures to be taken to mitigate the non-compliance.

Contractual Relationship

Our contractual relationship with our staff prevents them from placing business with product suppliers outside of their mandate.

Processes and procedures for compliance

The following internal procedures must be followed:

- Staff are required to read and familiarise themselves with the Acts, Codes and Guides as well as this Policy, and to ensure that they fully understand the provisions of the regulator and this Policy and their application.
- Specific training and educational material on how Conflicts of Interest may arise and how it can be avoided must be provided to Staff on an ongoing basis.

Financial Interests

AssetHouse may only receive or offer the following Financial Interests from or to a Third Party:

- Planned commission or fees in line with industry norms and that are reasonably in line with the service being rendered.
- Other income for rendering a financial service for which no commission is payable provided that such income is specifically agreed to by a customer and may be stopped at the customer's discretion.

- Fees or remuneration for rendering a service to a Third Party if such fees are reasonably in line with the service being rendered.
- AssetHouse must not offer any Financial Interest to Staff or Representatives for:
 - favouring quantity of business over quality of service;
 - favouring a specific product of a product supplier, where required to recommend more than one supplier to a customer; and/or
 - giving preference to a specific product over other products of a product supplier.

Roles and Responsibilities

Governance Structures

AssetHouse must have governance structures in place that require ongoing management to ensure compliance with this Policy.

Line Management

Line Management is responsible and accountable for the implementation of the requirements of this Policy.

Board Committee

The board committee for Risk Management, provides an independent assessment of the adequacy and effectiveness of the overall risk management framework and risk governance structures, which will include assurance over this Policy. This is achieved through the completion of an annual risk based audit plan. The Risk Management committee has the authority to independently determine the scope and extent of work to be performed and assists executive management in accomplishing their business objectives by bringing a systematic, disciplined, risk based approach to the evaluation and improvement of the effectiveness of risk management, controls and governance processes.

Compliance Officer

The Compliance Officer provides ongoing compliance services and monitors all compliance with the related legislation.

Representatives

Representatives are mandated to give advice and/or provide an intermediary service to an existing or potential customer. Some Representatives are remunerated by salary and others are paid a combination of commission and other benefits such as certain reimbursed allowances.

Disciplinary Action

Non-compliance with this Policy may result in affected Staff being subject to internal disciplinary procedures. This may result in the debarment and/or dismissal of the affected Staff.

Avoidance, limitation or circumvention of this Policy through whatever means will also be seen as non-compliance.