

Conflict of interest policy

At 1st Contact Money (PTY) Ltd (we, our, us), we place a high priority on our clients' interests. As conflicts of interest affecting clients could undermine the integrity and professionalism of our business, any such instances must be identified as early as possible. If conflict situations cannot be avoided, they must be managed equitably and in the client's best interest. Detecting potential or recognised conflicts of interest that could compromise the interest of our clients and managing and limiting the impact of conflicts of interest therefore constitute an integral part of 1st Contact Money (PTY) Ltd's duties and obligations.

1. What do we mean by conflict of interest?

A conflict of interest is a situation in which the interests of 1st Contact Money (PTY) Ltd, in the exercise of our activities, and the interests of our clients, are directly or indirectly in competition, resulting in a situation where our client's interests could be significantly prejudiced. This notion concerns 1st Contact Money (PTY) Ltd in our capacity as a foreign exchange and international remittance company, as well as all individuals working for including, but not limited to: Employees, associates and service providers. A conflict of interest may be recognized (actually identified) or potential (conceivable).

2. When does a conflict of interest arise?

Conflict of interest situations that could prejudice a client may take a variety of forms, whether or not 1st Contact Money (PTY) Ltd suffers any financial loss, and independently of whether the actions or the motivations of the employees involved are intentional. We have outlined three situations in order to assist in determining whether a potential conflict of interest situation might occur:

- We, or any of our employees, will realise a financial gain or avoid a potential loss at the client's expense
- Our interest, or that of one of our departments or employees may be different from the client's interest
- We, or one of our employees, are induced to favour one client over another - whether for financial reasons or otherwise

3. Prevention and management

We do not currently have specific material financial interests in relation to our activities.

If a conflict were to arise, 1st Contact Money (PTY) Ltd may:

- Conduct the transaction while, given the conflict of interest generated by it, implementing procedures that enable appropriate management of the situation in order to avoid damaging the interests of the client in question
- Avoid conducting the transaction that would potentially generate a conflict of interest
- Inform the client in the event that certain conflicts of interest cannot be properly handled and communicate the necessary information about the type and origin of the conflict of interest to the client, so that the client can make a fully informed decision regarding the proposed transaction

We have established a management policy for conflicts of interest enabling us to prevent potential conflicts of interest, mitigate and manage actual conflicts of interest and communicate them effectively to clients. This policy is based on a system of prevention, detection, management, communication and recording conflicts of interest.

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4. Awareness training

All of our staff are provided with awareness training. Annexure A sets out 1st Contact Money (PTY) Ltd's management procedure on identified conflicts.

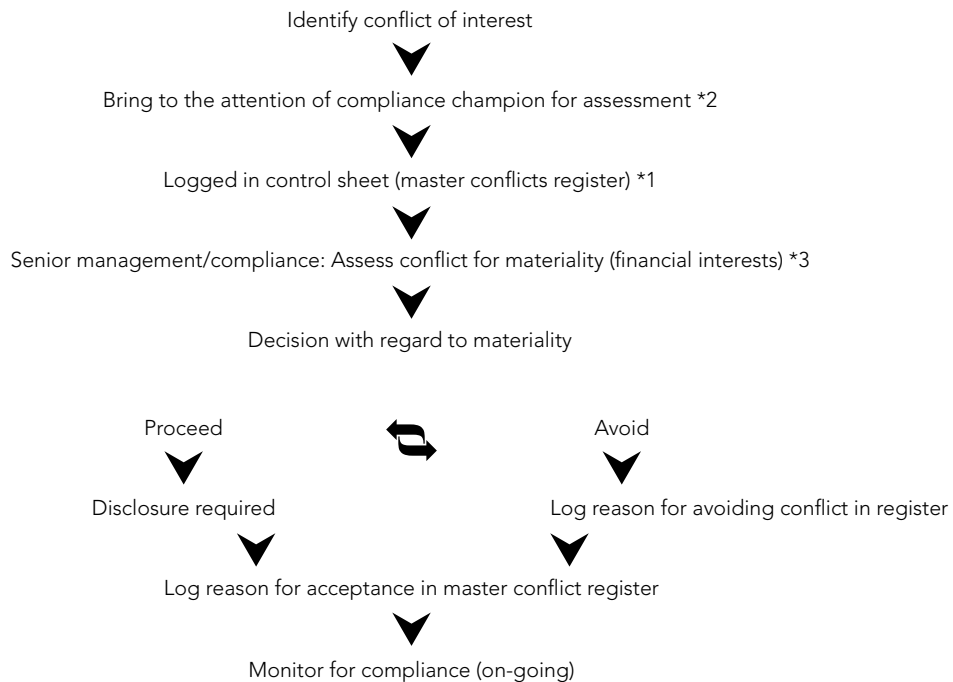
Matthew Cridge is responsible for the operation and condition of the conflicts of interest register. If a new potential or actual conflict of interest should arise, management of 1st Contact Money (PTY) Ltd will decide whether the transaction will actually generate a conflict of interest and if so, if it will be accepted, and managed in the client's interest, or declined. If a conflict of interest cannot be properly managed, the necessary information on the type and origin of the conflict of interest will be communicated to the client, to enable the client to make a fully informed decision. We will archive all of the documents and supporting evidence.

In general, all measures and complementary procedures will be taken to ensure the required level of independence. We manage potential and actual conflict of interest situations based on the following:

- Ethical principles: Client sovereignty, equity, impartiality, respect for professional secrecy, market integrity and compliance with laws and regulations.
- Control system: To monitor the conflicts of interest and corrective measures taken, we have procedures detailing the concrete measures to manage potential or recognised conflicts in the client's best interest.

Annexure A

Conflicts of interest management policy framework: Controls and procedures



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*Guide

1. Log the date and contents of the conflict of interest (real, existing or potential).
2. Communication to conflicts officer must be in writing; email is acceptable. All correspondence relating to conflict to be placed in a company conflicts file.
3. Conflicts Officer to liaise with the compliance function to evaluate the conflict and to decide which mechanism to be used to manage conflict (control, avoid or disclose).

If the conflict can be resolved immediately, take the necessary action and advise compliance thereof. The ongoing status of the conflict must be recorded in the register.

If the conflict requires further clarity and investigation by any other party, insert comments as appropriate in the appropriate register.

Notes on procedure

1. Nominate a member of staff as the conflicts officer, to be responsible for identifying, recording and managing conflicts of interest. In most circumstances this will be the person with primary responsibility for internal compliance. If an external compliance officer is appointed, it may be that we will appoint an internal conflicts officer who will liaise with the compliance function directly to effectively manage conflict situations.
2. The Conflicts Officer will advise all relevant staff of:
 - The definition of "conflict of interest"
 - The main features and examples of possible conflicts of interest that may arise
3. Conflicts Officer must create a questionnaire annually, to be completed by directors and relevant staff. The questionnaire must require them to assess all aspects of their responsibilities and their business relationships, with a view to identifying actual or potential conflicts (and circumstances that might be perceived as conflicts). Directors, managers and internal legal and compliance officers should attempt to identify conflicts across the business, while other staff will focus on their individual circumstances.

Even when individuals completing the questionnaire are confident that objective financial advice will be provided, in spite of a potential conflict, they should report the conflict: Clients and regulators may not easily be persuaded that advice was objective.

4. The conflicts officer, together with the compliance officer, will assess the seriousness of identified possible conflicts, and will determine (in consultation with senior management) how the conflict should be managed. Typical considerations include:
 - Current disclosures constitute adequate management.
 - What further disclosures would constitute adequate management?
 - Whether or not disclosure alone can adequately manage the conflict. Where it cannot all stakeholders can decide how the conflict should be avoided, or whether the conflict should be referred for prompt board consideration.
5. The conflicts officer will keep adequate records of the controls management process, from identification through to effective resolution of the conflict.
6. The compliance officer can prepare a report on the management of conflicts of interest, for the board to consider at intervals appropriate to the business.
7. Conflicts of interest will become a standing agenda item for board meetings.
8. Procedures can be drafted and adopted by the board to form part of the compliance documentation, addressing the above steps and responsibilities
9. The conflict of interest procedures and their efficacy in operation will be reviewed by senior management of 1st Contact Money (PTY) Ltd in conjunction with compliance.

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Role of the compliance officers

Compli-Serve, as compliance officers of 1st Contact Money (PTY) Ltd, is in a position to assist us in facilitating the handling of any identified conflict relating to 1st Contact Money (PTY) Ltd. This may involve assessing and evaluating between us and our clients, and decide upon, and implement, an appropriate response to the conflict.

Compli-Serve will ensure conflict-monitoring procedures are in place to ensure that any non-compliance with our conflicts management arrangements are identified and appropriately acted on.

As part of the conflict arrangements, Compli-Serve will include measures such as meeting with affected staff as appropriate, conduct periodic reviews of the business operation and conduct periodic reviews of client files and other appropriate documentation. Compli-Serve will monitor all conflicts documentation as part of its wider scale monitoring programme with 1st Contact Money (PTY) Ltd.

Role of our employees

All employees of 1st Contact Money (PTY) Ltd are obliged to report actual, perceived or potential conflicts of interest - see procedures above - to senior management. The failure of employees to notify management to the potential conflict of interest may result in disciplinary action being taken against the affected individual/s.

Role of senior management

Those individuals responsible for the internal oversight function have responsibilities to implement appropriate processes and procedures for the effective risk management of conflicts of interest and other risks arising within their organizations.

It is the responsibility of senior management to implement conflicts management policies, procedures and controls to manage conflicts effectively. There is no "one size fits all" approach that can effectively address the full range of conflicts of interest that arise in the business of 1st Contact Money (PTY) Ltd.