

CONFLICT OF INTEREST MANAGEMENT POLICY

INTRODUCTION

The interests of Foord's investors always come before the interests of Foord and its staff. The purpose of this policy is to provide guidance to Foord staff on how to avoid actual or perceived conflicts of interest. This policy applies to every director, employee and FAIS representative (collectively known as "Foord staff") of Foord Fund Managers (Pty) Ltd and its group and subsidiary companies including Foord Asset Management (Pty) Ltd and Foord Unit Trusts (RF)(Pty) Ltd ("Foord").

Foord staff must use reasonable care and judgment to achieve and maintain independence and objectivity in their professional activities.

DISCLOSURE

Any breach of this policy must be reported to the Compliance Officer immediately.

Foord staff must include all material facts when making disclosures or providing information regarding actual or potential conflicts of interest to Foord, Foord investors, or potential Foord investors.

CONFLICT OF INTERESTS IN INVESTING

Foord staff must ensure that investor interests supersede those of Foord and Foord staff in all aspects of the company-investor relationship, including investment selection, transactions, monitoring and custody. Foord staff must take reasonable steps to avoid situations where their or Foord's interests and investor interests conflict.

In some investment arrangements Foord may put its own capital at risk alongside that of its investors in order to align its interest with the interests of its investors. These arrangements are permissible only if investors are not disadvantaged.

Foord staff must at all times comply with internal rules and policies and not circumvent internal controls. In particular, Foord staff must:

- Comply with the Trade Management Policy to ensure that all investors are treated fairly in the execution of orders and the allocation of trades to investor portfolios. Foord will not discriminate against any investor or place the interests of some investors above those of others.
- Not engage in practices designed to distort prices or artificially inflate trading volume with the intent to mislead market participants. Market manipulation is illegal and damages the interests of all investors by disrupting the efficient functioning of financial markets and causing deterioration in investor confidence.
- Not act, or cause others to act, on material, non-public information that could affect the value of a publicly traded security. Foord staff must not engage in trading activities that work to the disadvantage of investors (e.g. front-running investor trades).



PERSONAL ACCOUNT TRADING

Foord staff are permitted to make personal investments in securities that are held in investor portfolios provided:

- No Foord investor is disadvantaged by the trade
- Foord staff do not benefit personally from trades undertaken for investors
- Foord staff comply with all applicable regulatory requirements.

Foord staff must comply with the internal policy on personal account trading, which includes provisions regarding pre-clearance and reporting.

MATERIAL BENEFICIAL OWNERSHIP

For this purpose, personal beneficial ownership includes ownership by a spouse or minor child or an entity with which the Foord staff member is closely associated (including a company director, significant shareholder or trustee of a trust).

Foord staff must disclose personal material beneficial ownership in securities under analysis by them to the Compliance Officer, in advance of making a recommendation involving such security. Foord staff must recuse themselves from making a recommendation where it appears likely that the interest will affect their objectivity.

Any other matters that might render a Foord staff member unable to make an objective recommendation or cast an unbiased vote in respect of a security must also be reported to the Compliance Officer in advance of the Foord staff member making the recommendation and he/she should abstain from any action pending the Compliance Officer's ruling.

Foord staff must disclose personal material beneficial ownership in any third party that has any business dealings with Foord.

OUTSIDE INTERESTS

Foord staff may not, without the prior written consent of Foord, be in any way engaged or concerned in any other trade or business of whatsoever nature either alone or with or on behalf of any other person.

Foord staff may not, without the prior written consent of Foord, be involved in any interests of whatsoever nature that constitute or could constitute a conflict of interest between Foord staff and Foord.

GIVING OR RECEIVING OF FINANCIAL INTERESTS

All staff should endeavor to avoid situations that might cause, or be perceived to cause, a loss of independence or objectivity. Foord staff may only give or receive financial interests to or from third parties if these:

- Are permitted by law, and
- Do not compromise the independence and objectivity of either party.

COMMISSIONS

Commissions and incentives must be market related and may not be used to induce a third party to act in a particular way. Foord shall provide details of any commissions paid in respect of investors to such investors on request.

Foord staff shall act in good faith when negotiating commission payable by investors to third parties. In particular, Foord will seek to obtain the best price and execution for each transaction in respect of the Investment Portfolio, taking into consideration the value of any brokerage and research services provided by the stockbroker or exchange executing any transaction.

Where permissible by law, commissions and incentives may be paid to third parties in respect of subscriptions of participatory interests in the Foord Unit Trust Scheme. If this is so, this cost is not borne by the investor.



If Foord earns any commissions, incentives, fee reductions or rebates from discretionary and/or administrative financial services providers or suppliers of financial products in respect of investments placed with them Foord shall furnish all relevant information to the relevant investors annually, or on request.

RECEIVING OF GIFTS

In this policy, gifts include any benefit or inducement with monetary value including sponsored entertainment and other inducements such as preferential access to investment opportunities.

While Foord staff are allowed to receive gifts, they are encouraged not to receive gifts from third parties and suppliers which may put them in a position where their independence may be called into question or where they may feel an obligation to provide preferential treatment to the donor.

Modest gifts to Foord staff (including spouse and minor children), not exceeding any monetary limit set by Foord, may be accepted provided such acceptance does not unduly influence independence or objectivity of Foord staff. Factors such as the nature, value and frequency of the gifts should be considered. Foord staff are encouraged to consult with the Compliance Officer or a Director before accepting any gift.

Sponsored entertainment and other inducements and benefits may be accepted, provided it does not otherwise conflict with this policy.

GIVING OF GIFTS

Giving of gifts shall comply with the marketing plan. Gifts should not be given that might cause, or perceive to cause, a loss of independence or objectivity.

DONATIONS

Donations may be made to charitable causes such as for the purposes of improving education and/or in support of industry initiatives. Donations shall be consistent with the Marketing Plan and shall be approved by a Director.

DISCLOSURE

Foord staff are required to disclose all gifts, sponsored entertainment and other inducements and benefits received from third parties to the Compliance Officer.

A record shall be maintained of gifts and donations given by Foord.

TRAINING

Training will be provided to Foord staff on this policy. Should you have any questions, please contact the Compliance Officer.

CONSEQUENCES OF NON-COMPLIANCE

Non-compliance with this policy will be viewed seriously and may lead to disciplinary action.

POLICY APPROVAL AND REVIEW

This policy has been approved by the board of directors of Foord Asset Management (Pty) Ltd, and has been adopted by the board of directors of Foord Unit Trusts (RF) (Pty) Ltd and is available on the website at www.foord.co.za. The policies and procedures that are in place to mitigate conflicts of interest are formally reviewed on an annual basis and monitored internally by the Compliance Officer, with appropriate reporting to the Board of Directors.

GLOSSARY

ASSOCIATE

- Means any subsidiary or holding company of the company, any other subsidiary of that holding company and any other company of which that holding company is a subsidiary.
- Foord Fund Managers (Pty) Ltd, Foord Asset Management (Pty) Ltd [FSP 578], African Capital Management (Pty) Ltd and Foord Unit Trusts (RF) (Pty) Ltd are associate companies in the Foord Group.

CONFLICT OF INTEREST

Means any situation in which Foord or any employee, director or FAIS representative of Foord has an actual or potential interest that may, in rendering a financial service to an investor,

- influence the objective performance of the obligations to that investor, or
- prevent Foord or any employee, director or FAIS representative of Foord from rendering an unbiased and fair financial service to that investor, or from acting in the interests of that investor including, but not limited to
 - a financial interest,
 - an ownership interest,
 - a relationship with a third party.

Conflicts of interest include actual, potential and perceived conflicts.

FINANCIAL INTEREST

Means any cash, cash equivalent, voucher, gift, service, advantage, benefit, discount, domestic or foreign travel, hospitality, accommodation, sponsorship, other incentive or valuable consideration, other than:

- Ownership interest
- Training, that is not exclusively available to a selected group of providers or representatives on
 - Products and legal matters relating to those products
 - General financial and industry information
 - Specialized technological systems of a third party necessary for the rendering of a financial services;
 - but excluding travel and accommodation associated with that training.

IMMATERIAL FINANCIAL INTEREST

Means any financial interest with a determinable monetary value, the aggregate of which does not exceed R1,000 in any calendar year from the same third party in that calendar year received by:

- A provider who is a sole proprietor, or
- A representative for that representative's direct benefit
- A provider, who for its benefit or that of some or all of its representatives, aggregates the immaterial financial interest paid to its representatives.

OWNERSHIP INTEREST

- Any equity or proprietary interest, for which fair value was paid by the owner at the time of acquisition, other than equity or an proprietary interest held as an approved nominee on behalf of another person
- Includes any dividend, profit share or similar benefit derived from that equity or ownership interest.