

SCA Code of Ethics

Message from the Business Owner

Stephen Cloete and Associates CC's (SCA) excellent reputation is the result of its employee's dedication to their clients and the support that is provided to each client. Together, our team is responsible for preserving and enhancing this reputation, a task that is fundamental to our personal and business ethics and values.

Set forth in the following pages is our Code of Ethics and Business Conduct, which has been approved by the owners of the business and Key Individual. The principles outlined in our Code of Ethics form the basis of the way we interact with our clients and run the business.

Our goal is to abide by the highest principles of ethics, honour, and respect for our colleagues, our stakeholders, our business partners and our clients. Not only do we expect our employees to conduct themselves in accordance with these guidelines, but our stakeholders and industry regulators demand it. We are not alone in our quest to maintain high ethical standards - similar standards apply to the businesses with which we have agreements.

As an employee of the business, each employee is expected to read the policies set forth in the Code and ensure that they understand and comply with them. If any employee has questions about this information, they should seek guidance from the Business Owner or Key Individual. The Code is not intended to provide answers to all questions that might arise; for that we must ultimately rely on industry regulation and each person's good sense of what is right in terms of the appropriate course of conduct.

We at SCA are committed to providing the most competitive products and finest services for our clients. Adherence to the policies set forth in the Code helps us in achieving this goal.

Thank you for doing your part in helping to ensure that SCA continues to realise its potential in both the business that we do as well as the way that we do business. Our business's success depends on each employee conducting themselves in an ethical manner.

Important Information

SCA is committed to the highest standards of business conduct in its relationships with clients, product providers, service providers, Employees and other stakeholders. This means conducting business in accordance with the spirit and letter of the applicable laws and regulations.

All Employees, product providers, service providers, business consultants and strategic partners are responsible for complying with all applicable laws and regulations under which our industry is governed.

Unless otherwise stated, the policies in this Code applies to all employees of the business regardless of the location from which they operate. If a local custom or practice conflicts with a policy in this Code, employees must comply with the Code.

Although this document incorporates the rules of conduct according to the FSB model and the GAPP, it does not cover all laws and regulation under which the business operates and if at any time, any policy, procedure or rule of the business is in conflict with, or in violation of any law or regulation, the law or regulation will govern and our policy will be amended accordingly.

This Code is to be used to guide Employee conduct and is not intended to replace the Employment Contract between the Business and its Employees.

All Codes of Conduct contained in this manual are subject to change at the sole discretion of the business owners.

From time to time this Code will be updated with information regarding changes in business policy. Notification of any change, additions or deletions to our policy will be communicated to our employees within 24 hours. It will be their responsibility to review any change to this Code.

Definitions

1. **The Employer:** Stephen Cloete and Associates, also referred to as “SCA”
2. **The Client:** A person, persons or entity that engages SCA and to which professional services are rendered. For purposes of this definition, SCA is engaged when, based on the relevant facts and circumstances, an individual reasonably relies on information or services provided by a Representative employed by SCA. Where the services of SCA are provided to an entity, such as a company, close corporation, trust, partnership or estate, the client is deemed to be the entity acting through its legally authorised representative.
3. **The Representative:** A person who is an accredited Financial Advisor and represents SCA by engaging in financial planning, using the approved financial planning process for working with clients.
4. **The Representative Under Supervision:** A person who has been employed for the purpose of supporting the advisory services dispensed by the Representative while accrediting to become a Financial Advisor and Representative of SCA.
5. **The Para-planner:** A person who has been employed for the purpose of supporting the advisory services dispensed by the Representative while training to become a Representative Under Supervision of SCA.
6. **The Employee:** A person who is employed by SCA for the purpose of delivering professional services to clients within the scope of their role, and according to their prescribed responsibilities. This includes employees who are authorised to provide advice as well employees who fulfill administrative or support duties.
7. **Professional Services:** Services dispensed by Employees on behalf of SCA, and within the scope of their role and responsibilities as defined in their employment contracts.
8. **Commission:** The compensation received by the business or its Employees, calculated as a percentage of the amount of a client purchase transaction.
9. **Compensation:** Any economic benefit that an Employee receives from performing his or her professional activities.
10. **Conflict(s) of Interest:** This occurs when an Employee ‘s financial, business, property and/or personal interests, relationships or circumstances may reasonably impair his or her ability to offer objective advice, recommendations or services.
11. **Continuing Professional Development:** Activities that develop and maintain the capabilities of Employees to perform competently within their professional environment.
12. **Services:** When a representative performs his/her duties in terms of his/her engagement with the client, provided that such duties shall not be limited to being performed only to products as defined in the definition of a “Financial Product” in terms of the Representative y and Intermediary Services Act 37 of 2002.
13. **A Financial Planning Engagement:** When, based on the relevant facts and circumstances, a client reasonably relies on information or services provided by an FSP or it’s Representative.
14. **Financial Planning:** The process of determining whether and how an individual can meet life goals through the proper management of financial resources. Financial planning integrates the financial planning process with the financial planning subject areas.

15. Financial Planning Process: The process which typically includes, but is not limited to, some or all of these six elements: (1) Establishing and defining the client-planner relationship. (2) Collecting client data, including goals. (3) Analyzing and evaluating the client's current financial status. (4) Developing and presenting recommendations and/or alternatives. (5) Implementing the recommendations. (6) Monitoring the recommendations.

16. Financial planning Components: The basic components covered in the financial planning process which include, but are not limited to: (1) Financial management. (2) Asset management. (3) Risk management. (4) Tax planning. (5) Retirement planning. (6) Estate planning.

Code of Ethical Standards and Conduct

The Code of Ethics applies to and is binding on all Employees of SCA, irrespective of title, role, responsibilities, or level of accreditation. It is not goal-orientated in nature, but directional and, as such, adherence to the contents of the Code is obligatory. Any contravention of the Code is grounds for action under disciplinary regulations. In the interpretation of the Code, a zero-tolerance approach to fraud and corruption will be taken.

1. Client First

Place the client's interests first. Placing the client's interests first is a hallmark of professionalism, requiring Employees to act honestly and not place personal and/or Employer gain or advantage, economic or otherwise, before the client's interests.

2. Integrity

Provide professional services with integrity. Integrity requires honesty, candor, fair dealing and truthfulness in all professional matters. Employees are placed in a position of trust by clients and the ultimate foundation of that trust is their personal integrity. Allowances can be made for legitimate differences of opinion, but integrity cannot co-exist with deceit or subordination of one's principles. Integrity requires Employees to observe both the letter and the spirit of the law and the Code of Ethics and Business Conduct. Integrity further implies that Employees shall not:

- give recommendations that they are not accredited to give, or that they suspect, or reasonably should have suspected, to be false or misleading
- conduct services in a dishonorable and disrespectful manner
- omit or obscure information that clients, Employers or any other stakeholders rely on in the course of their professional endeavors.

3. Objectivity

Provide objective professional services. Objectivity requires intellectual honesty and impartiality. Regardless of the services rendered or the capacity in which Employees function, objectivity requires that they ensure the integrity of their work, manage conflict and exercise sound professional judgment. Threats to objectivity may occur in various situations and forms, including, but not limited to, the following:

- A personal or economic interest of the Employee, a family member, or a person of close relationship or acquaintance with the Employee
- The promotion of a specific opinion, service or product by an Employee, due to personal or economic interest
- Actual or perceived intimidation of an Employee to promote a certain opinion, service or product.

4. Fairness

Be fair and reasonable in all professional relationships. Disclose and manage conflicts of interest. Fairness requires providing clients with their due, whatever they are owed, or what may be expected from a professional relationship and includes honesty, and disclosure of material conflicts of interest. It involves managing one's own feelings, prejudices and desires to achieve a proper balance of interests. Fairness is treating others as you would want to be treated.

5. Professionalism

Act in a manner that demonstrates exemplary professional conduct. Professionalism requires behaving with dignity, showing respect and courtesy to clients, fellow professionals and others in business-related activities, and complying with appropriate rules, regulations and professional requirements. Professionalism requires Employees, individually

and in co-operation with peers, to enhance and maintain the business's brand and image, and its ability to serve the interest of clients and consumers at large. The elements of professionalism include the following:

- To acquire and master intellectual skills acquired through continuing professional development and experience

6. Compliance

The importance of compliance is central to our business. Our clients rely on the fact that we respect the law, abide by relevant codes of conduct and always maintain absolute compliance. We shall ensure that we are up-to-date with appropriate legislation and regulations. We shall comply with the letter and the spirit of the law and regulations, insofar as it applies to the financial services industry in which we operate. We take note of the FAIS General Code of Conduct and shall abide by the requirements of that Code. We shall comply with the conditions of membership of this Association in force from time-to-time.

7. Provide Relevant Information

Our clients put their trust in our hands. It is, therefore, our duty to always provide them with all the relevant information that may affect them. We shall disclose to clients all information that is required by law or that is relevant to customers making informed decisions. We shall keep clients informed of all pertinent information before and after the sale or advice.

Code of Professional Standards and Conduct

The Professional Standards of Conduct serves to direct Employees in respect of how the principles must be applied within their conduct toward clients, colleagues, Employers, peers and other stakeholder to the financial planning environment.

1. Relationships with Clients and Prospects

1.1 Duty of care:

- 1.1.1 Employees shall at all times place the interests of the client first, before their own.
- 1.1.2 Employees shall treat the client fairly and provide professional services with integrity and objectivity.
- 1.1.3 Employees shall ensure that their personal bias or interests do not affect their services to clients.
- 1.1.4 Employees shall provide professional services promptly and thoroughly.
- 1.1.5 Employees shall know and apply the Code in their professional activities.
- 1.1.6 Employees shall disclose all relevant facts, where disclosure is necessary, to avoid misleading clients or any other parties.
- 1.1.7 Employees shall not engage in conduct involving dishonesty, fraud, deceit or misrepresentation, or knowingly make a false or misleading statement to clients or any other parties.
- 1.1.8 Employees shall exercise reasonable and prudent judgment in providing professional services.
- 1.1.9 Whenever Representatives or Representatives Under Supervision are operating in dealing with a client or potential client, it is obligatory that they fully divulge those products and services in respect of which they are bound to a particular supplier, and, where relevant, disclose any limitations or constraints placed on them, and the consequences thereof, in respect of services or products that may be provided to such clients.

1.2 The client engagement

- 1.2.1 The Representative and the client shall mutually agree on the services to be provided by the Representative prior to entering into a written agreement ("The Service Level Agreement") on behalf of the Employer.
- 1.2.2 If the services include financial planning or material elements of the financial planning process, the Representative shall provide all required the information in writing with the client, prior to entering into an agreement.
- 1.2.3 The Representative shall know and reasonably apply the Financial Planning Process relevant to the scope of the engagement with the client.
- 1.2.4 The Representative must ensure that they have a sufficient basis, supported by appropriate accreditation, knowledge, experience, research and investigation, for any financial analysis, recommendation or proposal.

1.2.5 The Representative shall take all reasonable steps to ensure that the client understands all financial planning recommendation(s) at all times, so that informed decisions may be made by the client.

1.2.6 The Representative shall only make and/or implement recommendations that are suitable for the client.

1.2.7 Any financial recommendations made or action taken must be consistent with the client's mandate and the objectives of the portfolio.

1.2.8 The Representative shall keep a written record of their recommendations to each client and such a record shall clearly state the basis on which the recommendations were made.

1.3 Complaints

1.3.1 If a client has a complaint against an Employee or the Employer, the Employee must, in addition to any other regulatory considerations, inform the client of the prescribed method for lodging the

Code of Business Standards and Conduct

1. Use and Return of Business Equipment, Systems and Assets

Employees are trusted to behave responsibly and use good judgment to conserve SCA's resources. SCA's resources, including time, material, equipment, and information should be utilized for business use only. Occasional personal use is permissible as long as it does not affect job performance, cause a disruption to the workplace, or result in an expense or reputational threat to SCA.

In order to protect the interests of SCA and its Employees, SCA reserves the right to monitor or review all data and information contained on a SCA company-issued computer, contained on an electronic device, the use of the Internet, the use of SCA's intranet; with or without SCA's notice. The use of the SCA's resources to create, access, store, print, solicit, or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate will be grounds for discipline up to and including termination.

During employment, Employees may be issued company property including a computer, laptop, cell phone, printer, pager, or hand held mobile device. Employees are expected to take proper precautions to care for SCA's equipment. Upon termination, Employees are expected to return all company equipment in proper working order. Failure to return equipment may be considered to be theft and may lead to criminal prosecution.

2. Business Proprietary Information and Confidentiality Policy

In the course of employment, Employees will be exposed to information that is confidential to SCA. Confidential information is defined as confidential and proprietary information of SCA to which the general public does not have access. This will include client lists and information, systems, procedures, policies, strategies, research, business plans, financial data, price lists, formulas, techniques, technology, confidential reports, computer software, telephone lists, contract forms, files and all other information, knowledge, or data of any kind or nature relating to the products, services, or business of SCA. Confidential and proprietary information also includes any work product of the employee during his or her employment with SCA including emails, reports, memorandums, research, and other similar documentation.

Employees are prohibited from disclosing or duplicating such confidential information to non-employees except when there is a business need to do so and SCA has provided written approval. Upon termination of employment, the Employee shall return all confidential information in his/her possession.

Employees are also prohibited from accessing files, databases, and other company resources which they do not have authorisation to access.

Those in violation will be subject to disciplinary action, up to and including termination. Violations may also result in legal action.

3. Business Record-Keeping

SCA is required to maintain accurate and complete records of all business transactions (from operations, to client interactions and financial transactions). Every business transaction undertaken by an employee must be recorded on the necessary business system accurately, in full, and in a timely manner.

Employees must be candid and accurate when providing information for these records and never make false or misleading entries. All records must be correct and complete in all material respects.

4. Business Working Environment

SCA is committed to a work environment in which all individuals are treated with dignity and respect. It is our policy to ensure equal employment opportunity without discrimination or harassment on the basis of race, colour, religion, age, gender, disability, marital status or any other characteristic protected by law.

SCA expects that all relationships among persons in the workplace will be business-like and free of bias, harassment, or violence. SCA also prohibits retaliation against any individual who, in good faith, reports discrimination or harassment, or any individual who participates in, or otherwise supports, an investigation of such reports.