
Cims South Africa (Pty) Ltd

BUSINESS ETHICS INCLUDING CONFLICT OF INTEREST POLICY

Excerpts extracted from - Affinion Group (Cims' 51% shareholder) – Core Policy Manual and the FAIS Conflict of Interest Regulations per Board Notice 58 of 2010

BUSINESS ETHICS

Affinion Group which for the purpose of this document will also include Cims South Africa, is committed to the highest standards of ethics, integrity and compliance with applicable laws in all aspects of conducting its business. We also believe that a corporation is far more than a legal entity—it is a community. The Company's reputation—and its right to be seen as an excellent, successful Company—depends largely on the ethical and legal behavior of its people: its directors, officers and employees. Each of these individuals must understand and adhere to all applicable laws and the principles embodied in these Policies.

The ethical behavior of Affinion Group and its employees takes precedence over profits, sales or other such standards of success. The Company shall be a law-abiding citizen of any country in which it operates and shall not intrude into the political affairs of any country, and it will not cause or permit any employee to take any action which would knowingly result in the violation of any laws or regulations. To that end, Affinion Group has adopted these Policies, which clearly set forth the Company's commitment to both ethical and legal behavior.

Confidentiality

All employees have a duty to the Company to act in a conscientious and discreet manner. Specifically, all employees must ensure that they maintain in strict confidence and secure all Confidential Information of the Company (as defined below), and not use any Confidential Information of the Company for any purpose other than to fulfill employment obligations to the Company, both during and after termination of their employment.

Confidential Information of the Company includes all trade secrets, business methods, financial projections, business or product plans, marketing methods, personal or other information (whether in written, oral, electronic or other form) pertaining to the affairs, business, clients, prospective clients, customers, members or other relationships of Affinion Group and any of their respective affiliates or subsidiaries as well as all other confidential or proprietary information of Affinion Group and any of its employees, officers, directors, customers, clients, suppliers, agents, affiliates or subsidiaries. Confidential Information of the Company does NOT include any information which is or becomes generally available to the public, other than as a result of a violation by an employee of his/her obligations under these Policies.

It is expected that each employee agrees that during the term of his or her employment and at all times thereafter (regardless of the circumstances surrounding such employee's departure from Affinion Group), he or she will not, directly or indirectly:

- Reveal or cause to be revealed to any person or entity the Confidential Information of the Company (except, during employment with Affinion Group, as is reasonably necessary in the performance of his or her duties for Affinion Group or to the extent required by law in which such event the employee must provide written notice to Affinion Group); and
- Make use of any Confidential Information of the Company for the employee's own purposes or for the benefit of any person or organization other than Affinion Group.

In addition, if an employee receives from third parties, such third parties' confidential or proprietary information in connection with employment with Affinion Group, the employee must hold such third party information identified as, or which the employee knows or should reasonably be expected to know is, confidential or proprietary information, in the strictest confidence and not to disclose it to any person or entity or to use it, except as necessary in carrying out work for Affinion Group and consistent with Affinion Group's agreement with such third parties.

If in the course of employment with Affinion Group an employee obtains access to any personal information about any other employee or any officer, director, customer, client, member, supplier or agent, such employee must treat such personal information in the strictest confidence and not disclose it to any person or entity or use it, except where necessary in carrying out work for Affinion Group and as permitted by applicable law. Access in itself never confers the privilege to disclose the information without proper authorization from the Affinion Group's Corporate Legal Department or your Business Unit's Legal Department.

In addition, employees should refrain from discussing confidential information with family, relatives, friends, acquaintances or business and professional associates. When appropriate, encryption technology should be employed to ensure privacy of sensitive, confidential information and/or Personal Information (PI). Employees must follow all internal policies and applicable laws in storing, processing and transferring such data. Please contact the Affinion Group's Corporate Legal Department or the Cims South Africa Head of Business Services with questions.

Because each employee is entrusted with Confidential Information of the Company and of third parties, it is very important to remember that the obligation to protect that Confidential Information continue both during his or her employment with the Company and thereafter. As an individual entrusted with such Confidential Information, each employee may be requested by the Company to cooperate in matters, including litigation, during or after his or her employment with the Company. Each employee should cooperate in such matters. In addition, each employee should vigilantly protect all Confidential Information of the Company if and when requested by an individual or entity in dispute or litigation against the Company and, unless compelled by law, will not cooperate with any such individual or entity during his or her employment or thereafter.

Upon termination of employment or other contractual relationship with the Company, for any reason, whether voluntary or involuntary, the employee shall promptly deliver to the Company all business systems and information in his/her possession, including all copies, as well as all items that allow access to the Affinion Group building systems. In the event of a violation of this confidentiality requirement after termination of employment, the Company may take action to enforce this policy, including seeking both injunctive relief and/or monetary damages as appropriate.

If there is any doubt about what may be considered confidential information, consider these factors when determining whether information may be proprietary:

- Is it a trade secret?
- Does it reveal marketing strategies, decisions or an assessment of the marketplace?
- Is it technical information, which the Company might want to release under licensing arrangements?
- Does it relate to future plans?
- Would its disclosure adversely affect the Company's competitive position?
- Is it information which has been taken from another Company document containing a proprietary marking?

- Does it contain something relating to software or computer programs?
- Would it be of value to others?
- Was it costly to develop?
- Is the information preliminary, speculative, subject to change or interpretation?
- Does it refer to documentation and equipment not available to others?
- Does it contain information relating to customers and their accounts, employee personnel data, employee health records, shareowner account information or financial recommendations or projections?

If “yes” can be answered to any of the above questions, then the employee should not provide such information to outside sources, and the document should be labeled with the appropriate proprietary information marking.

CONFLICT OF INTEREST

AFFINION GROUP’S CONFLICT OF INTEREST POLICY

All employees occupy a position of trust with the Company and, as a result, have a duty of loyalty to the Company both during and after the employment relationship subject to applicable law or employment contract. Employees are required to avoid any relationship or activity that might create or give the appearance of a conflict between their personal interests and the interests of Affinion Group or its subsidiaries. Affinion Group selects its suppliers, service providers, vendors and contractors in a non-discriminatory manner and based on appropriate quality, cost, service and ability to supply a range of goods and services. A decision to hire a supplier, service provider, vendor or contractor must never be based on personal interests or interests of family members, but must be in the best interests of Affinion Group and its shareholders. Similarly, a decision to enter into a contract with a client or partner must be based on the best strategic, financial and other interests of Affinion Group and its shareholders, and must never be based on personal interests (including increased commission or bonus payments to any employee covered by an incentive plan) or interest of family members.

Employees must disclose any relationship that creates or appears to create a conflict of interest to Cims’ Head of Business Services. They must also obtain written pre-approval before proceeding with any transaction, conduct or investment that creates or appears to create a conflict of interest, such as: (1) engaging in personal business transactions that arise from or are based upon an employee’s position of authority; (2) owning a financial interest (other than less than one percent of the capital stock of a public company) in a business that does business or competes with Affinion Group; and (3) participating in an opportunity discovered from information provided by a competitor, client, customer or supplier.

Executive officers of Affinion Group must disclose actual or potential conflicts of interest to Affinion Group’s Chief Legal Counsel or the Board of Directors and obtain from such person or board written pre-approval before engaging in any such transaction or conduct or making any such investment.

In addition, an employee of the Company must seek prior approval from Affinion Group’s Chief Legal Counsel before accepting an invitation to serve as a director or trustee of any other business. If such service existed at the time of hire or upon acquisition of a new company, the employee must promptly disclose the existence of such service and obtain approval to continue providing such service before doing so. Service as a director of a for profit entity (other than Affinion Group and its subsidiaries) is strongly discouraged.

Here are additional examples of potential conflicts of interest that may require disclosure:

- An employee or immediate family member of an employee acting as a director, partner, consultant or employee of a firm that provides goods or services to Affinion Group or is a competitor of Affinion Group or one of its subsidiaries.
- An employee holding a second job that interferes with employment duties at Affinion Group.
- Ownership by employees or members of their immediate family of a material financial interest, known to the employee, in a firm which is either a competitor of or vendor to Affinion Group or one of its subsidiaries.
- Accepting or entering into employment with the Company in violation of a non-compete or similar obligation to a previous employer or other person.
- Disclosing misleading or inaccurate information to, or withholding information from the Company in order to protect or otherwise advance the interests of the employee or any other person to the detriment of the Company.
- Entering into a client or partner contract other than in the ordinary course of business with the best terms reasonably obtainable for the Affinion Group in the circumstance or where any arrangements are made with the client or the partner for any compensation or other consideration to be given directly or indirectly to or for the benefit of any employee.
- Using Affinion Group's confidential information in any manner that violates the Company's confidentiality Policy

Where can these potential conflict situations arise within our business?

- With insurers with whom there is a business / ownership relationship.
- With other FSP's with whom there is a business/ownership relationship.
- With Distribution channels with whom there is a business/ownership relationship.
- With any other persons with whom there is a business/ownership relationship
- With any service providers with whom there is a business/ownership relationship

Any of the above could be deemed Associate companies or 3rd party companies with whom we may have an ownership interest in them or by them. These companies, if applicable, are listed in separate annexures to this policy

- With any other relevant relationship that may exist within the company

Corporate Opportunities

Employees of Affinion Group owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. If an employee learns of a business or investment opportunity through the use of corporate

property or information or his or her position at Affinion Group, such as from a competitor or actual or potential customer, supplier or business associate of the Company, the employee may not participate in the business or make the investment without the prior written approval of the Affinion Group's Chief Legal Counsel.

Executive officers must obtain the prior written approval of the Chief Legal Counsel or the Board of Directors. Such an opportunity should be considered an investment opportunity for Affinion Group in the first instance, subject to other conflict of interest safeguards as outlined in this document.

Gifts and Entertainment

Employees or the immediate family of employees shall not use their position with Affinion Group to solicit any cash, gifts or free services from any Affinion Group customer, service provider, supplier or contractor for personal benefit. Gifts or entertainment from others should not be accepted if they could be reasonably considered to improperly or materially influence Affinion Group's business relationship with or create an obligation to a customer, service provider, supplier or contractor.

The following examples are guidelines regarding gifts and entertainment:

- Nominal gifts and entertainment, such as logo items, pens, calendars, caps, shirts and mugs are acceptable.
- Reasonable invitations to business-related meetings, conventions, conferences or product training seminars may be accepted.
- Invitations to social or cultural events may be accepted if the cost is reasonable and your attendance serves a customary business purpose such as networking.
- Invitations to sporting activities or ticketed events that are usual and customary in the conduct of business and promote good working relationships with customers and suppliers may be accepted.

Special rules may apply to employees involved in seeking business with, or providing services to, government entities. Contact Cims Head of Business Services for specific information on these rules.

Business Expenses and Expense Reporting

All travel, entertainment and other expenses must be business related, reasonable and substantiated by receipts as required by Affinion Group's Travel and Expense Reimbursement Guidelines, or any other company policy or guidelines, the text for which can be obtained from Cims' Chief Operations Officer or the Head of Business Services.

Bribes and Kickbacks

Employees must ensure that payments made by or on behalf of Affinion Group are made only for legitimate business purposes. Under no circumstances is it acceptable to offer, give, solicit or receive any form of bribe, kickback or any other form of improper payment. Affinion Group employees must not give or offer anything of value that would be beyond usual or customary practices or would violate laws on giving to U.S., South African or foreign government officials. This policy applies to all Affinion Group transactions within and outside the United States and South Africa.

Due to the complex laws in this area, you should consult with Affinion Group's Corporate Legal Department or Cims South Africa Head of Business Services should you have any questions.

Government Relations

Employees may, of course, participate in the political process as private citizens. It is important to separate personal political activity from Affinion Group's political activities in order to comply with appropriate rules and regulations regarding lobbying or attempting to influence government officials. Affinion Group will not reimburse employees for money or personal time contributed to political campaigns.

In addition, employees may not work on behalf of a candidate's campaign during working hours or at any time use Affinion Group's facilities or resources for that purpose. Laws governing contributions to state and local candidates (and comparable political figures outside the United States) vary from country to country, and are to be observed by all employees as applicable.

Antitrust and Competition

Affinion Group's business activities are subject to antitrust and competition laws in most countries around the world. These laws are intended to promote fair competition and free enterprise by prohibiting activities that unreasonably restrain or inhibit competition, "bring about a monopoly" (in the United States), "abuse a dominant market position" (in the European Union), artificially maintain pricing or otherwise illegally hamper or distort normal commerce.

These laws apply to such diverse activities as marketing, procurement, contracting, and mergers and acquisitions. These laws specifically prohibit or restrict agreements (including tacit and unspoken agreements):

- To fix, coordinate or control prices;
 - To allocate or divide up customers, territories or markets;
 - To refrain from competing against other market participants wholly or in some limited fashion;
- This list is not exhaustive.*

The antitrust and competition laws also prohibit or restrict certain group boycotts and "tying" arrangements. Unlawful tying may occur when the purchase of one product or service requires the purchase of another, "tied" product or service.

These laws are complex, and their requirements are not always clear. In many jurisdictions, including the United States, violations can lead to severe penalties, damage awards equal to three times the actual damage sustained, and fees and jail sentence in criminal law proceedings. If you have questions about how the antitrust and competition laws apply to a particular situation, seek advice from Affinion Group's Corporate Legal Department.

Trade Shows / Exhibition and Trade Association Meetings

The antitrust and competition laws are particularly relevant if you attend trade shows or trade association meetings while acting on behalf of Affinion Group, because of the opportunity to interact with competitors or potential customers. In order to avoid possible violations of such laws, you should not discuss pricing, including pricing strategies and costs in a manner that violates the law; the allocation of customers, territories or markets; agreements not to compete or to compete only in a limited fashion; agreements to regulate or limit production; or agreement to participate in group boycotts.

Any effort with another company or companies to seek relief from courts, regulatory agencies or legislative bodies should be reviewed with Affinion Group's Corporate Legal Department or Cims Chief Operations Officer, before taking action.

Fair Dealing

Each employee should endeavor to deal fairly with Affinion Group's customers, suppliers, competitors and employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

Financial Reporting and Records

Each supervisor is responsible and accountable for maintaining an adequate system of internal controls over all areas of his or her responsibility.

These controls should provide reasonable assurance that :

- (1)(a) all transactions have been properly recorded,
 - (b) each such transaction has been made with management authorization and in accordance with applicable laws and regulations, and
 - (c) Company assets are adequately safeguarded; and
- (2) as a consequence, the financial records and other reports are accurately and fairly stated and must be maintained in accordance with Generally Accepted Accounting Principles (GAAP).

Each employee within his or her area of responsibility is expected to adhere to these established controls and the following prohibitions:

- No employee may willfully make false or misleading entries in the Company's books and records for any reason.
- No employee may willfully conceal Company information from authorized auditors or governmental regulatory agencies or in any way intentionally mistake or misrepresent any such information in any reports, financial statements or other official or unofficial company document. Employees are required to disclose, on a timely basis, information required to evaluate the fairness of the Company's financial presentation, the soundness of its financial condition and the propriety of its operation. No employee may make a payment or transfer of Company funds or assets that is not authorized, properly recorded and clearly accounted for on the Company's books. No employee may make or approve a payment or transfer Company funds or assets with the intention or understanding that any part of such payment or transfer is to be used except as specified in the supporting transactional documents.
- No employee shall deliberately attempt to circumvent any company processes or controls.

Money Laundering or Illicit Financing

Employees must actively guard against the use of Affinion Group products and services by third parties for the purpose of money laundering or illicit financing activity, including terrorist activity. Money laundering is the process by which the proceeds of criminal activity are moved through the financial system in order to hide all traces of their criminal origin. Money laundering is an essential part of much criminal activity and has become the focus of considerable attention by governments, international organizations and law enforcement agencies throughout the world. By contrast, illicit financing activity, including activity by or for terrorist groups, focuses on the destination and use of funds that may come from legitimate or criminal sources, or a combination of the two.

Affinion Group is committed to cooperate fully with law enforcement and regulatory investigations concerning possible money laundering or illicit financing activity. You must immediately contact Affinion Group's Corporate Legal Department or your Business Unit's Legal Department if you are approached in any manner by government agencies for records and information on customers, agents, or business partners that may be under investigation. Strict rules specify time frames for complying with such government inquiries or requests and for reporting certain activities that may bear upon money laundering or terrorist activity.

Therefore, your immediate action is vital in both reporting requests and being responsive when given instructions by Affinion Group's Corporate Legal Department or Cims South Africa Head of Business Services.

Business Records and Information Management

Affinion Group maintains its records in accordance with laws and regulations regarding the retention of business records. The business of Affinion Group and its subsidiaries generates a broad range of information and communications. The information is created in many forms (such as electronic mail messages, Web page content, word processing files, systems files and databases) and communicated on various media (such as paper, digital, microfiche, audio, computer hard drives, CD-ROMs and diskettes), whether maintained or stored at work or off site.

Affinion Group requires all employees to comply with its Record Retention Policy, which prohibits the unauthorized destruction of or tampering with any records, whether paper or in electronic form, when the Company is required by law or government regulation to maintain the records or when it has reason to know of a pending or contemplated investigation or litigation relating to the records.

If you have any questions concerning records retention or about how Affinion Group's Record Retention Policy applies to a particular situation, you should seek guidance from Affinion Group's Corporate Legal Department or Cims South Africa Head of Business Services.

Insider Information

Employees of Affinion Group may, in the course of performing their duties, come into possession of "material non-public information" about Affinion Group or its subsidiaries, or other companies with whom Affinion Group does business. "Material non-public information" is defined as any information that a reasonable investor would consider important in making a decision to buy or sell securities. In short, it includes any information that could be expected to affect the price of securities, either positively or negatively. Buying or selling securities based on such information is referred to as "insider trading" and can result in substantial fines and imprisonment.

It is illegal for an Affinion Group employee to, directly or indirectly, buy or sell stocks (shares) or bonds based on insider information or to discuss such information with others who might buy or sell such securities, including shares or bonds.

For example, if in the course of an employee's work and prior to a public announcement, that employee becomes aware of a change in dividends and earnings, an acquisition, or a major change in management that would materially affect Affinion Group or one of its subsidiaries, the employee may be guilty of insider trading if he or she bought or sold securities of Affinion Group based on this knowledge or passed this information to anyone who then bought or sold such securities. For more information, please consult with the Affinion Group's Corporate Legal Department or Cims South Africa Head of Business Services.

FAIS GENERAL CODE OF CONDUCT – CONFLICT OF INTEREST

(As Cims is a Financial Services Provider Intermediary under license Category 1, FSP Number 9859, Cims management, staff, key individuals and representatives comply with the FAIS Conflict of Interest Policy)

CONFLICT OF INTEREST MANAGEMENT POLICY

The identification and control of conflicts, potential or actual will be updated by the Cims Head of Business Services. These controls, known as the Business Ethics and Conflict of Interest Policy is available to any client or other interested party that may require sight of it. This policy applies to all employees which includes Directors, managers, permanent staff and contract or temporary staff. The policy will be monitored by Cims' Compliance Officer – Pretium Services, and the effectiveness of it reported to the FSB at least on an annual basis as part of the annual compliance report process and will form part of the monitoring process conducted by Pretium Services each quarter.

How do we assess whether there are conflict situations within our business?

We have a management tool that assists in documenting the various relationships and arrangements that we currently have in place, whether or not these create a conflict or potential conflict. If they do then a decision has been taken as to whether these are to be avoided or mitigated and the decision recorded accordingly. These sections are reviewed as part of the ongoing monitoring process followed by our external compliance officer and forms the basis of an ongoing reporting strategy to both ourselves and should the need arise to the Financial Services Board, the ultimate authority governing the financial services sector.

To assess what conflict situations we had we firstly identified all the situations that may have led to a conflict. This was an initial once off exercise but key indicators are reviewed, annually and **BEFORE** any new relationships is entered into because a new relationship may well demand avoidance, mitigation steps or additional disclosures.

The situations that we scrutinised included :

1. Identifying whether Cims staff have any relationships with third party / service providers or suppliers.
2. Identifying whether Cims or Cims staff have conflicts with our distribution channel, product suppliers / insurer, other FSP's, or other Persons
3. Disclosing our financial interest, immaterial financial interest and our relationships to our clients.
4. Identifying what Associate Company relationship Cims or Cims staff have.
5. Identifying what Third Party relationships, Cims or Cims staff have. .
6. Identifying if there was any ownership interest paid from or to the entities within these relationships and whether they created a conflict of interest. .
7. Identifying the immaterial financial interest paid from or to the entities within these relationships and we are tracking and monitoring the frequency and extent monthly.

This process allowed us to assess all of our relationships, including those of our staff and including financial aspects, and to document these fully. The data collected was then reviewed to see, if a potential conflict had been identified and then we had to see how best to deal with this.

Our general strategy is to **avoid** such conflicts i.e. prevent them by physically removing the conflict. Where we could not avoid the conflict situation, actual or potential, needed to be **mitigated**, we put controls in place to reduce the likelihood of a conflict arising.

Where disclosure of conflicts, which includes potential ones, involved clients the standard adopted demands a higher level of formality. It demands formal disclosure "**at the earliest reasonable opportunity**" which is deemed to be when providing you with the initial advice/quote.

Our disclosures include :

1. What conflicts we have.
2. What measures we have been taken to avoid or mitigate these.
3. Ownership interests that may become due to us - this includes shareholding, dividends, profit share and similar payments. This includes ownership of and payments from associated companies which could include brokers, cell captives, insurers, call centres or service providers.
4. Financial interests (these are things we actually pay for that are made available by other FSP's or insurers as part of the relationships that exist) that may become due. These include vouchers, benefits, travel, hospitality, accommodation, sponsorships and other incentives.
5. Details of the relationships and/or arrangements that exist that create the (potential) conflict.
6. How to obtain our Conflict of Interest Management Policy.

We have ensured that this policy is understood and adhered to by all role players.