Compliance Management Policy and Framework

1. Scope

Compliance with regulatory requirements is essential as to ensure the fair treatment of clients, enhancing consumer protection and ultimately the promotion and maintenance of a sound financial services environment in South Africa.
Equine Insurance Brokers (Pty) Ltd. is required to comply with several laws and regulations.

2. Purpose

This policy provides a framework formalising the compliance function within Equine Insurance Brokers (Pty) Ltd. and aims to clearly assign the responsibility for certain compliance functions to enhance accountability and transparency.

3. Policy

The directors and management recognize their accountability, to all clients and stakeholders, to comply with regulatory requirements applicable to the business and are committed to comply with both the letter and the spirit of the law. Equine Insurance Brokers (Pty) Ltd. is committed to promoting an appropriate compliance culture throughout the business and to good governance, ethical behaviour and to always act with due care, skill, and diligence in the conduct of its business as to ensure the fair treatment of clients.

4. Compliance Framework

4.1 Laws we must comply with

Equine Insurance Brokers (Pty) Ltd. must comply with various laws and regulations, the main being:

- Basic Conditions of Employment No. 75 of 1997
- Companies Act No. 61 of 1973
- Credit Agreements Act No. 75 of 1980
- Employment Equity Act No. 55 of 1998
- Financial Advisory and Intermediary Services Act No. 37 of 2002
- Financial Intelligence Centre Act No. 38 of 2001
- Financial Sector Regulation Act No. 9 of 2017
- Financial Services Board Act No. 97 of 1990
- Income Tax Act No. 95 of 1967
- Insurance Act No 27 of 1943

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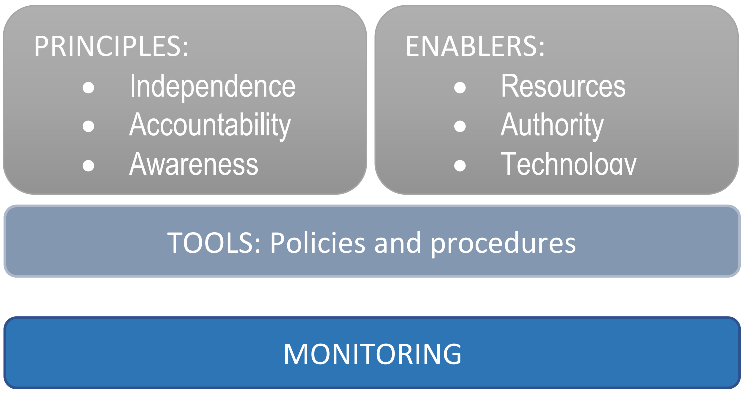
- Labour Relations Act No. 66 of 1995
- National Credit Act No. 34 of 2005
- Occupational Health & Safety Act No. 85 of 1993
- Promotion of Access to Information Act No. 2 of 2000
- Protection of Personal Information Act No. 4 of 2013
- Short Term Insurance Act No. 53 of 1998
- Unemployment Insurance Act No. 63 of 2001
- Value Added Tax Act No. 89 of 1991

4.3 Compliance management

Equine Insurance Brokers (Pty) Ltd.’s compliance management consists of principles, enablers and tools and supported by compliance monitoring as illustrated through the image below:



4.3.1 Principles

The compliance function is independent, and able to discharge its responsibilities objectively. Those responsible for monitoring compliance with regulations are able to do so freely and express their views and report results directly to responsible parties.

4.3.2 Enablers

The size and nature of Equine Insurance Brokers (Pty) Ltd. and the risk we are exposed to determines the allocation of resources to the compliance function.
The compliance function has a direct reporting line to the Director(s) to ensure that high-risk compliance matters are timeously brought to their attention.

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Reg No. 69/01428/07, FSP 1056

Equine Insurance Brokers (Pty) Ltd. and its contractor(s) will make use of technology to facilitate compliance monitoring and enable compliance with record keeping requirements.

4.3.3 Tools

Equine Insurance Brokers (Pty) Ltd. will create and maintain various policies and standard operating procedures which will be to govern and guide compliance with relevant regulatory requirements.

4.4 Monitoring

Compliance monitoring will be performed regularly, and feedback will be provided to the Directors or Key Individuals of Equine Insurance Brokers (Pty) Ltd.

4.5 Responsible persons

4.5.1 External compliance officers

Equine Insurance Brokers (Pty) Ltd. has appointed Compli-Serve (SA) (Pty) Ltd, with registration no. 2003/024874/07 and practice no. CO 194, an external compliance practice with a dedicated and approved Compliance Officer linked to the Financial Sector Conduct Authority license of the FSP. The external compliance officers will be tasked with monitoring compliance with specific legislation and regulations.

4.5.2 Directors and management

The directors and management (including persons appointed as Key individuals in terms of the Financial Advisory and Intermediary Services Act) are ultimately responsible for compliance with all regulatory requirements applicable to Equine Insurance Brokers (Pty) Ltd.. This also involves overseeing risk management, financial matters, and monitoring compliance in the business as well as any communication with our regulator(s).

4.5.3 All Staff

Staff are the primary role players in the process of compliance with regulatory requirements in their day-to-day activities and are expected to familiarise themselves with the regulatory requirements applicable to their positions, to apply it to their day-to-day activities and to bring any non-compliance with regulatory requirements to the attention of the Compliance Officer.

5. Record keeping

Compliance reports received and submitted will be stored securely for future reference.