



# stonefort Conflict of Interest Policy

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## 1. Introduction

This policy outlines a suitable, effective and sustainable approach to the identification and management of conflicts of interest (“COI”).

The policy aims to comply with the best practice and statutory requirements as per the requirements of the Financial Services Commission (FSC), Mauritius.

## 2. Purpose

This document embodies the Conflict-of-Interest Policy for Stonefort Securities Ltd which shall be referred to as SFS in this document.

The purpose of this policy is:

- to provide guidance on the behaviours expected in accordance with SFS standards;
- to promote transparency and to avoid or mitigate any business-related COI that may arise between SFS, its clients, vendors and/or employees respectively;
- to ensure fairness in the interests of employees and SFS;
- to document the process for the disclosure, approval and review of activities that may amount to actual, potential or perceived COI;
- to provide a mechanism for the objective review of personal outside interests.

SFS is committed to ensuring that all business is conducted in accordance with good business practice. To this end, SFS conducts business in an ethical and equitable manner and in a way that safeguards the interests of all stakeholders to minimize and manage all real or potential conflict of interest (“COI”). SFS and its representative must therefore avoid (or mitigate, where avoidance is not possible) any COI between SFS and a client or its representative and a client.

## 3. What is “Conflict of Interest”?

In any situation in which SFS or its representatives has an actual or potential interest that may, in rendering a financial service to a client influence the objective performance of his, her or its obligations to that client; or prevent SFS or its representatives from rendering an unbiased and fair financial service to that client, or from acting in the interests of that client, including, but not limited to:

1. a financial interest;
2. an ownership interest;
3. any relationship with a third party (“third party”) means
  - a product supplier,
  - another provider,
  - an associate of a product supplier or a provider;
  - a distribution channel;
  - any person who in terms of an agreement or arrangement with a person referred to in paragraphs (a) to (d) above provides a financial interest to a provider or its representatives.

## 4. Causes

In general, conflicts of interest may be caused by the superior knowledge of employees and the variety of products on offer and may arise between a firm and a customer, or between a customer and another customer. When a firm provides service to a customer, conflicts of interest may arise in one or more of the following situations when a firm or a relevant person:

- is likely to make a financial gain, or avoid a financial loss, at the expense of the customer;
- has an interest in the outcome of a service provided to or a transaction carried out on behalf of the customer, which is different from the customer's interest in that outcome;
- has financial or other incentives to favor the interest of another customer(s) over the interests of the customer;
- carries on the same business as the customer; or
- receives or will receive from a person other than the customer an inducement, other than standard commission or fee in relation to a service provided to the customer.
- In respect to SFS, the following is the main conflict of interest that may occur when providing services to our customers.

## 5. Disclosure

As required by law, SFS implements and maintains an effective conflict of interest policy for the aim of preventing conflicts of interest or potential conflicts of interest from causing a material risk of damage to the interests of customers.

SFS keeps records of our business activities so that we can identify any conflict that might arise that would have a material risk of damage to the interests of our customers. SFS' conflicts of interest policy adopt procedures and measures to manage and control the conflicts of interest identified, including segregation of duties and responsibilities, separate supervision of relevant persons.

Whilst SFS is devoted to implement and maintain our conflicts of interest policy, in some cases, such policy might not be sufficient to prevent risks of damage to the interest of a customer. In such a case, SFS shall disclose the general nature and sources of conflicts of interest to the customer so that enables the customer to make an informed decision whether to proceed with the transaction in question.

## 6. Ownership and Accountability

This policy is owned by **SFS** an authorized financial services holding an Investment Dealer (Full-Service Dealer, excluding Underwriting) License, as per the Section 29 of the Securities Act 2005, Rule 4 of the Securities (Licensing) Rules 2007, and the Financial Services (Consolidated Licensing and Fees) Rules 2008, Financial Services Commission, Mauritius.



**stonefort**

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