

SanlamConnect Business Rules extracted for Backoffice staff contracted to BlueStar/ MO Businesses

<p>Policy: The administrative personnel in the BlueStar Business' service hub may only render administrative services, and the "professionals", namely Sanlam Life advisers or associate advisers, advisory services in respect of business and products allowed in the Business rules of advisers.</p> <p>Please refer to the full SanlamConnect Business Rules for Intermediaries via Sanport or click on the link below: https://sanport.sanlam.co.za/sanport/eng/Info-Centre/Distribution/Business-Rules.aspx</p>	<p>Sections referred to in the SC Business Rules</p>
<p>The Purpose of the business rules The purpose of these rules is to provide necessary rules and guidelines that have the objective to ensure that clients of Sanlam are treated fairly, with integrity and with their best interests in mind at all times by the financial advisers of Sanlam Life Insurance Limited (SL) in SanlamConnect Intermediaries, as well as the contracted Backoffice staff of the BlueStar/Mo Businesses, without creating undue risk for Sanlam in the process. It is not possible to make rules for each and every contingency that may occur, but the overarching objective that these rules wish to achieve is to provide clients with a satisfactory outcome after each and every intervention with a financial adviser of SanlamConnect Intermediaries, as well as the contracted Backoffice staff of the BlueStar/Mo Businesses, and that the intervention itself is carried out within the approved mandate within all relevant rules and pre-requisites in terms of the process.</p> <p>Therefore, the purpose in more detail is:</p> <ul style="list-style-type: none"> • To provide rules to be complied with by staff who are contracted or employed by Sanlam life Insurance Limited to provide intermediary services as financial advisers to clients of SL and on behalf of SL through SanlamConnect Intermediaries. • To provide rules to be complied with by staff who are contracted or employed by BlueStar/Mo Businesses to provide administration services as back-office staff on behalf of BlueStar/ MO Businesses. • To make the back-office staff of BlueStar /MO Businesses aware of the parameters set out for SanlamConnect Advisers. 	<p>1.1</p>
<p>This document applies to:</p> <ul style="list-style-type: none"> • All Backoffice support staff of any BlueStar/MO Business • All advisers as well as principals of all variants of BlueStar and MO businesses must note that they are responsible and liable for the actions of their administrative staff and/or back-offices, whether they operate under the SL FSP licence or not. 	<p>1.2</p>

<p>Impact of these Business Rules</p> <ul style="list-style-type: none"> As far as advisers are concerned, this document is part of the Information Book for Advisers and the BlueStar Information Book and is therefore part of the contract between Sanlam Life and advisers and associate advisers of Sanlam Life in SanlamConnect Intermediaries. A breach of any of these rules therefore comes down to a breach of contract. Should there be misalignment between the Business Rules contained in the respective Information Books and the version of the Business Rules on Sanport, it should be only temporary of nature and in this period, the Business Rules on Sanport must be regarded as the applicable document. As far as management and specialist support roles in SanlamConnect Intermediaries are concerned, these rules are not part of employment contracts, but any wilful breach of these rules will be viewed in a very serious light which could invoke disciplinary measures. 	1.3
<p>Operating in any way as a “front office”</p> <ul style="list-style-type: none"> Advisers may not become involved at all in the services normally associated with so called “front offices”, e.g., administration of client premiums/contributions/payments, or with other administrative functions normally related to group schemes. 	3.8.2
<p>Reproducing signatures of clients</p> <p>The reproducing of clients’ signatures, with or without the client’s knowledge / consent, on any document or more than once on the same document, by advisers and/or their staff is strictly prohibited and regarded as a serious offence. Reproducing of clients’ signatures refers to, inter alia, acts such as: copying a client’s signature which is then pasted or superimposed onto another document; copying a document signed by a client and using it for different transactions; storing an electronic signature of a client on a device which is then used more than once or for future use; forging a client’s signature.</p> <p>Sanlam does in most cases allow electronic signatures, except for the signing of a will, where the legislation prescribes that the testator and witnesses need to physically sign the actual document in the presence of each other. All rules applicable to a normal signature are also applicable in instances where electronic signatures are allowed. The use of electronic signatures must always meet the guidelines at stated in the document “Guidelines for use of electronic signatures.”</p>	4.1
<p>Requesting clients to sign blank or incomplete forms</p> <p>Clients may not be requested to sign any blank form or a form that is not fully completed. This is against the law. Again, advisers must take note of their liability and accountability with respect to the actions of their own staff.</p>	4.2
<p>Inducing clients to do business or to maintain/lapse business</p> <p>It is strictly prohibited to provide, or offer to provide, directly or indirectly, in money or in kind, any valuable consideration as an inducement to a person to enter into, continue, vary or cancel any financial transaction/business (e.g., vary a policy, cancel a policy, etc.) that falls within the mandate that SL/SA Retail Affluent or SanlamConnect Intermediaries may reasonably expect from the adviser. Examples of specific actions that are prohibited, are the following:</p> <ul style="list-style-type: none"> the payment of any premium on a policy or investment by the adviser on behalf of the client. 	4.3

<ul style="list-style-type: none"> • referral agreements with kickbacks (fee-sharing), or any other arrangement where the successful referral of a client is being rewarded by the adviser. • an advertisement initiated by an adviser of any nature where a reward is offered for the successful conclusion of a financial transaction. 	
<p>Accepting cession or nomination as beneficiary on policies or wills of clients, or taking out policies on the life of client or another adviser with the adviser as premium payer</p> <p>No cessions of policies and no nominations as beneficiaries</p> <ul style="list-style-type: none"> • Advisers may not accept cession of policies from clients, or knowingly be nominated as beneficiary on policies or in the wills of clients where the client is not a direct family member. This also includes receiving such benefit through a legal entity such as a company, close corporation or a trust. <p>No policy on the life of a client or another adviser with the adviser as premium payer</p> <ul style="list-style-type: none"> • It is also not allowed to take out a policy on the life of a client (if the latter is not a direct family member) or on the life of another adviser, and the adviser is the premium payer. All such transactions must be declared to the Relevant Authority beforehand, and his/her written approval must be obtained. 	4.4.2
<p>Borrowing money by means of loans from clients or entering into business ventures with clients</p> <ul style="list-style-type: none"> • Advisers may not obtain monetary loans for themselves or their family members or a business/venture in which they have an interest, from their clients • Advisers may also not get involved in business transactions with their clients, unless appropriately declared through the Conflict-of-Interest process and approval has been gained. 	4.8
<p>Unauthorised financial advice or intermediary services</p> <p>Outsourcing or sub-delegation of any activity or part thereof relating to the rendering of financial services (advice and/or intermediary service) that that adviser performs on behalf of Sanlam</p> <p>An adviser may not outsource or sub-delegate his/ her responsibilities in respect of the rendering of financial services or any part thereof to any other party who is not registered as a Sanlam representative with the FSCA.</p>	4.10.3
<p>Unauthorised access to and/or use of confidential client information</p> <ul style="list-style-type: none"> • Gaining access to the confidential information of clients without a valid and authentic mandate from the client is expressly forbidden. This prohibition includes the gaining of client information via Astute without the written mandate of a client. • All client information is strictly confidential and may under no circumstances be shared with or provided to any third party which is not officially a staff member of Sanlam or another adviser, manager, or specialist of SanlamConnect Intermediaries, and where the sharing of information is exclusively used to ensure the best possible outcome for the client within the Sanlam context. • The Protection of Personal Information Act (POPIA) is South Africa's data protection legislation and gives effect to all South Africans constitutional right to privacy. As members of SanlamConnect Intermediaries members may have access to a wide range of 	4.12

<p>personal information of clients and prospective clients (for example name, home and e-mail address, ID number, physical characteristics, sexual orientation, religion, education, contact details, income and medical history), it is imperative that all members of SanlamConnect Intermediaries strictly adhere to the requirements of POPIA as well as instructions or guidelines issued by Sanlam from time to time.</p>	
<p>Advisers presenting themselves as independent brokers</p> <ul style="list-style-type: none"> Advisers may not present themselves to the public as, or create the impression with them that they are, independent brokers. Office signage, business cards, promotion material, letterheads, etc. must clearly indicate that the adviser is an adviser of SL. In particular, it is stated that advisers may not use their FSPs (if applicable and allowed in terms of these rules), as a front to create the perception with the client that the adviser is an independent broker also for long-term insurance or other types of business 	4.15
<p>Charging fees/compensation for advice and/or services that are not approved</p> <p>No member of SanlamConnect Intermediaries is allowed to charge clients any fee and/or compensation for any service and/or advice he/she has rendered to clients, unless such fee/compensation is:</p> <ol style="list-style-type: none"> formally approved within this document, or is an inherent part of the product structure, which products have been approved and for which the adviser has received a mandate to sell (accredited), and the extent of the fee/compensation complies with the rules, and the fee/compensation is paid via the Sanlam commission payment system. <p>The only exceptions to this rule are:</p> <ol style="list-style-type: none"> fees for administration with regard to short-term insurance practices; such fees must be approved by the senior management of SanlamConnect Intermediaries: (STA) in conjunction with Compliance. service fees paid by Sanlam Life to advisers for services to clients referral fees which are approved/acknowledged within this document 	4.16
<p>Receiving money from and/or keeping money for a client, or not adhering to procedures when dealing with cash</p> <ul style="list-style-type: none"> Advisers must in general not accept cash premiums from clients. However, it is acknowledged that there are circumstances when this may be necessary. When it is, advisers must adhere strictly to the procedures and processes prescribed in this regard. Refer to the Information Book (Part 13) in this regard. Furthermore, an adviser is expressly not allowed to receive money and/or keep any money on behalf of a client (in cash or a bank account or otherwise) whether such money is intended for the finalisation of a transaction with Sanlam or any other institution, or not. (See also the reference to “front offices” elsewhere in the rules.) 	4.17
<p>Admitting liability to a client or assisting a client in a dispute with Sanlam or compensating a client on own accord</p> <p>Admitting personal liability or liability on behalf of Sanlam</p> <ul style="list-style-type: none"> Where a client has a complaint against an adviser (e.g., for inappropriate or bad advice) or against Sanlam which may result in either financial liability for Sanlam or reputational damage, the adviser is not allowed to admit personal liability or liability on behalf of Sanlam to the client or any other third party. 	4.20

<ul style="list-style-type: none"> • In terms of FAIS, Sanlam is required to maintain a complaints resolution system and complaints must be addressed and resolved via this system. <p>Assisting clients in disputes against another Sanlam member or intermediary</p> <ul style="list-style-type: none"> • Advisers may not become involved in assisting a client against another Sanlam adviser or other broker/intermediary. <p>Paying compensation to clients or paying premiums for clients</p> <ul style="list-style-type: none"> • Advisers may not undertake to pay or pay a client compensation for any perceived loss or inconvenience suffered. 	
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