

# **Brokstock SA (Pty) Ltd Employee Gifts and Entertainment Policy**

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## 1. INTRODUCTION

- 1.1** Brokstock SA (Pty) Limited (herewith "Brokstock", the "Company" or "We") is incorporated under the laws of South Africa and is registered by the Companies and Intellectual Property Commission with registration number 2020/523823/07. BROKSTOCK is a brand operated by Brokstock SA (Pty) Ltd, a company incorporated and registered under the laws of South Africa and an investment firm regulated by the Financial Sector Conduct Authority ("FSCA") with license number 51404. This Policy is recommended for employees of financial institutions, by various bodies, including the Financial Sector Conduct Authority (FSCA) and the South African Reserve Bank (SARB).

## 2. PURPOSE

- 2.1** The purpose of this Policy is to provide an internal control framework for the personal investment dealings made by employees and their connected persons. The FSCA and the SARB have stated that, if Personal Account ("PA") Trading is permitted, it is imperative that certain internal control procedures be applied.
- 2.2** Brokstock must accept responsibility for the establishment of the necessary systems and controls, to prevent conflicts of interest, insider trading, prejudice towards clients, and prejudice towards the financial institution itself.

## 3. SCOPE

- 3.1** This Policy applies to all employees, officers, consultants and contractors of the Company. In addition, this Policy also applies to all agents, representatives or other third- party intermediaries providing services to the Company.

## 4. POLICY STATEMENTS

- 4.1** The Company and all affiliated persons will never offer, pay, solicit or accept improper or illegal gifts or entertainment in any form, either directly or indirectly.
- 4.2** The Company and all affiliated persons will not participate in any kind of improper gifting or entertainment-related activity, either directly or indirectly.
- 4.3** The Company and all affiliated persons will ensure that any gifts or entertainment, whether given or received, that exceeds nominal values, are reviewed and approved by management.
- 4.4** The Company and all affiliated persons will ensure that all gifts and entertainment are recorded accurately in the Company's books and records (Employee Gifts and Entertainment Register).

- 4.5 The Company will take disciplinary action against employees who are found to be giving or taking gifts or entertainment in violation of this Policy or who offer, promise or give any other improper or corrupt advantage to another person. This may lead to dismissal or termination of employment and, if appropriate, criminal proceedings. Criminal proceedings and any other appropriate remedies, processes or measures may be taken by the Company against any other person falling within the scope of this Policy who is not a Company employee and who is engaged in any prohibited activity in terms of this Policy.
- 4.6 The Company and all affiliated persons will terminate business relationships with any agent or third-party representative that violates any provision of this Policy.

## **5. GUIDANCE INFORMATION**

- 5.1 The timing of any proposed gift or entertainment is important so as to avoid any improper perceptions or inferences and should be considered carefully
- 5.2 There should be no distinction between the giving or receiving of gifts and/or entertainment in a private capacity or as a Company representative. Where a relationship has been formed as a result of Company business the standards required by this Policy apply.
- 5.3 Gifts, entertainment or hospitality does not place the provider or recipient under any obligation whatsoever including the obligation to accept such gift and should not be capable of being misconstrued.

## **6. GIFTS**

6.1 Gifts - whether given or received - must:

- be of a nominal value of R5,000 or less in relation to non-governmental organisations and R2,500 or less in relation to a government/public official or governmental organization, such amounts to be updated from time to time in updated versions of this Policy;
- not be intended to improperly influence a business transaction; and
- only be given or accepted if within the bounds of recognised business practice and local law.

6.2 Cash gifts (including vouchers or gift cards) are under all circumstances prohibited.

## **7. ENTERTAINMENT**

- 7.1 Entertainment is often an element of a business relationship with existing contractors, clients or future business prospects. Business entertainment includes, but is not limited to, meals, dinners, sporting events or tickets (such as golf or football), parties, concerts

and other events where business matters are discussed, but where it is apparent that the event is not intended solely as a business meeting or for business engagement purposes.

7.2 Entertainment - whether given or received - must:

- be of a nominal value of R10,000 or less per person per event in relation to non-governmental organisations and R5,000 or less in relation to a government/public official or governmental organization; and
- not be intended to improperly influence a business transaction; and
- only be given or accepted if within the bounds of recognised business practice and local law.

## 8. REQUESTS FOR APPROVAL

8.1 8.1 The Company recognises that there may be situations where it is culturally appropriate to give or receive something from a client or contractor that exceeds the above-detailed nominal values and where there is a related business purpose.

8.2 In such cases, a Request for Approval Form (attached to this Policy) must be completed and management approval obtained which may be obtained from the Key Individual (KI).

## 9. FURTHER INFORMATION

9.1 Bribes are illegal no matter what the local custom or practice may be - for example in giving expensive gifts or the provision of what may be perceived as lavish entertainment.

9.2 This Policy applies not only to employees but also to anyone providing services to the Company and others as mentioned in paragraph above hereto.

9.3 Questions and feedback regarding this Policy should be submitted to the [info@brokstock.co.za](mailto:info@brokstock.co.za)

9.4 Please read other related policies and documents on the Company's website or request them via email at [info@brokstock.co.za](mailto:info@brokstock.co.za)

9.5 If there are any questions or comments about this Gifts and Entertainment Policy please contact us via e-mail at [info@brokstock.co.za](mailto:info@brokstock.co.za)

## **10. AMENDMENTS TO THIS POLICY**

- 10.1 Amendments to this Policy will take place from time to time subject to the discretion of Brokstock and pursuant to any changes in the law. Such changes will be brought to the attention of employee's, members and clients where it affects them.
- 10.2 The Key Individual has the authority to make amendments to this Policy. The Key Individual may delegate responsibility to an employee or external party for drafting the amendments.

## **11. OWNERSHIP OF THIS POLICY**

- 11.1 This Policy is owned by Brokstock SA (Pty) Ltd, trading as BROKSTOCK, an authorised financial services provider in terms of the Financial Advisory & Intermediary Services Act (37 of 2002) and subordinate legislation, with FSP number 51404.
- 11.2 The Key Individual of Brokstock SA (Pty) Ltd hereby confirms the adoption of this Policy on behalf of the governing body of the Brokstock SA (Pty) Ltd and accepts responsibility for the successful training of employees and implementation of this Policy.
- 11.3 This document will be updated whenever material changes are made to it.

## 12. ACKNOWLEDGEMENT AND AUTHORISATION

I, \_\_\_\_\_, being an employee of Brokstock SA (Pty) Ltd,  
hereby declare that:

- I acknowledge receipt of the Brokstock SA (Pty) Ltd Employee Gifts and Entertainment Policy, which may be amended from time to time.
- I have read the Policy and understand my obligations thereunder.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of 20\_\_\_\_

Employee name (print your name):

Signature \_\_\_\_\_

## ANNEXURE A: REQUEST FOR GIFT APPROVAL

The below form should be used this form only in respect of requested approval for gifts consisting of cash or cash equivalents, or a tangible item or items valued at greater than R10,000.

When an award consists only of gifts of travel, meals, a plaque, certificate, and trophy or has little intrinsic value, approval in terms of this Policy is not required or permitted and other relevant approval processes and methods to obtain approval should be used, e.g., sponsored travel and/or the widely attended gathering exception.

This form may be used for both receiving of and giving of gifts or entertainment that require such approval in terms of the Policy.

Request for approval of gifts: Please complete the below form and provide as much information as possible and as applicable.

Questions	Response
Employee name, title and physical home address	
Request date	
Office telephone number or cellphone number	
Is this request for approval of <b>giving</b> or <b>receiving</b> of an award, honour or gift?	
What is the nature of this gift?	
Outside organization (donor) offering or being provided the award (full name and city, state or country)	
Date of the award event	
Full name of the award	
Location of an award event (city, state or country)	
Award citation	
Is the award offered by a private foundation?	
Can your performance or non-performance of your official responsibilities have any effect on the donor?	



If the donor is an organization, does the majority of its members have such interests that could be affected by the performance or non-performance of your official duties	
Have you solicited the award?	
Do you agree not to accept gifts that may accompany award in return for being influenced in the performance or non- performance of your official duties?	
Does this award involve a tangible gift (other than cash or cash equivalent) valued at more than <b>R10,000</b> ?	
Does this award involve a cash or equivalent gift?	
Have you accepted gifts, including awards, from the same or different sources so frequently that a reasonable person would be led to believe that you are using your official position for private gain?	
Identify all cash, stipends, cash equivalents, tangible items, reimbursements, meals, lodging, transportation, entertainment, free attendance, or other benefits and gifts to be provided personally to the employee and/or members of the employee's family to be received at or in conjunction with the award event. Indicate the market value of each item	

I confirm that:

- I have read the attached Policy and hereby request permission to accept the award, honour and/or the associated gifts as described above.
- I have read the attached Policy and hereby request permission to give the accept the award, honour and/or the associated gifts as described above.

**Disqualification Requirement:**

I understand that I am recused and disqualified immediately from all official matters involving or that could affect the award donor. If the award is approved, my recusal from matters involving the donor remains in effect for one year following the date I receive the award, and I will not participate in any official matters involving the award donor organization without prior authorization from the Company.

Name:

**Designation:**

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_/\_\_\_\_/\_\_\_\_