



All Managers and Staff Members

RE: ESTABLISHMENT OF A COMPLIANCE FUNCTION

Ongoing changes to legislation, and the introduction of new legislation, has placed a greater emphasis on the formal and structured monitoring of compliance to legal, regulatory and supervisory requirements.

Although legislative changes place an administrative burden on the entity, an opportunity is provided to commit more openly to a culture of compliance within the Group, its subsidiaries and divisions.

CertainSure recognizes its accountability and responsibilities to all stakeholders under the legal, regulatory and supervisory requirements applicable to its business. Therefore the Board of Directors has approved the establishment of an independent Compliance Function as part of its current Compliance Policy.

The Board is ultimately accountable to its stakeholders for overseeing compliance requirements. The responsibility to facilitate compliance throughout the Group has been delegated to the Group Compliance Officer who heads the Group Compliance Function. The Group Compliance Officer is responsible for the effective implementation of the Group Compliance Policy.

However, it must be emphasized that the primary responsibility for complying with any regulatory requirement lies with all members of staff conducting the particular transaction or activity to which regulation applies. All relevant staff must therefore be conversant with appropriate legislation and subordinate regulations, conditions and rules promulgated by Regulators as well as the compliance manual and/or technical guidance notes applicable to their specific area of responsibility. All staff members should understand that they are expected to comply both with the letter and with the spirit of these requirements.

The Board of Directors regards compliance as a matter of high priority. All staff must understand that failure to comply can result in exposing the Group to liabilities and/or risk of loss of authorization to conduct business in the financial services industry.

There is a growing need for management to have professional support from the Group Compliance Function to identify potential problems and advise on practical solutions. Staff need to provide a constructive service to the business and must help protect the reputation of the Group. This is not something that compliance officers can achieve on their own and there needs to be a determined team effort with the management and staff of the business.

As part of this effort a compliance manual has been/is being drafted. This manual documents how compliance should/will be conducted in a specific business unit by complying with the relevant compliance policy and standards. In addition, it documents how all the applicable laws, regulations and supervisory requirements are being managed and controlled. Non-FSP:47088

adherence to the standards documented in this manual can lead to disciplinary action and dismissal.

The importance of protecting the Groups reputation in all its operations cannot be overemphasized. An appeal is made to all staff to acquaint themselves with the contents of the compliance manual to enable them to meet the responsibilities in their work.

Yours Faithfully

Leon Dietrich