



Code of Good Conduct for BFASA Members – effective 1 February 2010.

This Code of Conduct governs the relationships between the BFASA members and its clients; other members as well as the Association. Each Bridging Finance Company ("BFC"), by accepting this Code of Conduct, is committed to the promotion of good business practices and the formalisation of the Bridging Industry.

1. Conduct:

Each member shall conduct themselves and their business to avoid doubt being cast upon their professional integrity. A member shall ensure that they provide a financial service that is proper, efficient and in the interest of good business practices.

2. Rules for Practice:

Only members with a valid Certificate of Good Standing (see paragraph 13 below) are permitted to display the BFASA logo and their membership to BFASA on their website or corporate publications/stationary.

3. Ethical practice:

Members shall at all times act honestly, ethical and fairly in their dealings with members of the public. They will refrain from activities that can bring BFASA or the Bridging Industry into disrepute.

4. Regulatory Compliance:

All members will abide by all applicable laws and regulations.

5. Accountability:

To enhance consumer confidence in the Bridging Industry, members making their services available agree to make their systems, practices and records available for inspection and review by any industry relevant legitimate authority.

6. Consumer Privacy and Data Protection:

Members will design and operate their services to afford consumers privacy and confidentiality. Each member will institute controls to detect and eliminate fraud and to protect data from breaches. A member must treat all facts and information concerning their client obtained as confidential and must not make any unauthorized use of such facts or information. Information exchanged between members and/or BFASA must be treated as confidential by all members.

7. Entity Listings:

BFASA's Entity Listings (available at www.bfasa.org.za) are intended to combat fraud. The listings should be considered as confidential and only for internal use by the members. Each member must independently decide on the applicability of the listing to their business. BFASA does not accept any responsibility or liability for inaccurate information displayed on the website or the listings thereon.

As cited in 12 below, each member hereby accepts their duty to actively contribute to this Entity Listings on a continuous basis. An entity or individual must be listed on the BFASA website at such an early stage where the BFC suspects or is aware of any fraud, negligence, high risk or bad payment behavior.

8. Truth in Advertising:

Members shall be truthful in promotions and publish only accurate information about their operations.

9. Consumer Interest:

The interests of the Consumer are always foremost for members. Such conduct is to assure sustainable development of the Bridging Industry and in order to procure desirable and acceptable business practices.

10. Complaints from the public

Even though BFASA is not a Regulatory body, its objective is to enhance, improve and develop the Bridging Finance Industry. If the Association receives complaints from the public, the Board of Directors will have the right to further investigate the complaint in their sole discretion and to assist the complainant in referring the matter to the appropriate authority.

11. Professionalism:

Members commit themselves to the goal of continuously improving themselves, their business and their employees in the chosen profession.

12. Responsibilities of members under this code:

Each member has the explicit responsibility to:

- 12.1 Be actively involved in and contribute to the activities of BFASA.
- 12.2 Attend a minimum of 75% of BFASA meetings per annum.
- 12.3 To actively list entities and/or individuals on the internal BFASA Entity Listing.

- 12.4 Ensure that they do not have any outstanding fees due to the Association or their associates.
- 12.5 Ensure that their employees are familiar with the contents of this Code and adheres thereto.

Responsibilities pertaining to Business conduct:

- 12.6 A member must make available his fees before concluding an agreement with a consumer including:
 - 12.6.1 The way in which the fees are calculated;
 - 12.6.2 Cancellation or default charges;
 - 12.6.3 Adverse information he has obtained about the consumer.
- 12.7 The BFC will provide the client with a copy of the agreement.
- 12.8 The BFC will provide the client with a statement of account.
- 12.9 The BFC will keep records of all their financing activities
- 12.10 The BFC will at all times strive to enhance the wellbeing of their clients.

13. Certificate of Good Standing:

BFASA will issue each member annually with a Certificate of Good Standing provided that the member is in compliance with this Code of Conduct. This certificate should be displayed at the Member's place of business. The certificate (and subsequently the BFC's membership) may be retracted by the Board of the Association in their sole discretion and with immediate effect.

14. Membership fees:

Membership fees payable will be determined annually at the first official members meeting for that year.

Copies of this Code of Conduct are available at www.bfasa.org.za. BFASA reserves the right to review this Code of Conduct. This Code of Conduct will not be binding in legal proceedings.

Accepted by the BFC on this ____ day of _____ 2010.

BFC Name: _____

Authorised Signatory: _____

Capacity: _____