

CONSTITUTION OF SAAMA



Registration no. 2001/010708/08

1. REGISTERED NAME

The Association hereby constituted shall be known as the “Southern African Asset Management Association, using the acronym “SAAMA”.

2. BODY CORPORATE

The Association shall exist separately from its members and will continue to exist even when its membership changes and there are different office bearers, and shall be able to own property and other possessions and can sue and be sued in its own name.

3. MISSION

SAAMA represents and promotes the interests of asset management practitioners, professionals and asset owners in Southern Africa.

4. OBJECTIVES

The objectives of the Association are:

- a) to promote asset management as a value driver in support of asset owning organisations achieving their strategic objectives.
- b) to uplift the professional status of the asset management managers, practitioners and advisors by raising the professional standards of asset management in industry;
- c) to promote a common standard for asset management;
- d) to encourage, promote, aid in and effect voluntary interchange among members of the Association of data, information, experience, ideas and knowledge on methods, processes, techniques and technology relating to the asset management fields;
- e) to stimulate and promote education, training and original research in the asset management field;
- f) to promote a representative and centralised body or organisation to collect, collate, co-ordinate and distribute data, ideas, knowledge, methods and techniques by any suitable means for the purpose of improving the efficiency of asset management technologies;
- g) to build synergistic rapport between companies on asset management issues;
- h) to create liaison with similar Associations, local & international;
- i) to encourage companies to expand their training programmes in support of uplifting the skills required in the field of Asset Management;
- j) to do all such other things as are or may be incidental or conducive or ancillary to, or necessary for the attainment of the above objectives or any of them;

5. DOMICILE

The Office of the Association, for administration purposes, shall be at 4 Karen Street, Bryanston, Sandton or at such other address as the Council may determine from time to time.

6. MEMBERSHIP

The number of members of the Association shall be unlimited and shall consist of the following membership categories:

- a) Full Members: who shall be those members who have applied for membership and paid the subscription fee as determined by the Council
- b) Council Members: shall be those members who have been elected by the membership as members of the Council. The Council may consist of a maximum of 10 elected members.
- c) Co-opted members: who shall be those members co-opted to the Council by majority vote of existing Council members, having specific experience required for specific projects and / or initiatives.
- d) Honorary Life Members: who shall be those members nominated by a Council member and accepted by the Council within the stipulations of the procedures governing Honorary Membership of SAAMA
- e) Retired Members: who shall be those aged between 55 and 70 years of age, no longer in active service of any organisation or receive remuneration for services rendered on a full-time basis, and used to be a member of SAAMA for a period not less than 5 consecutive years preceding retirement.

Membership will be open to any individual who has an interest in uplifting or recognising the role of asset management and or is interested in the contribution that asset management makes towards business success in industry.

An organisation can support the entry of individuals into SAAMA through corporate group deals. Group deals will be published that will enable an organisation to pay the membership fees of individuals in its employment at preferential rates.

The Council shall issue and maintain a policy dealing with the criteria governing the various membership categories of the Association. The policies may be amended from time to time.

7. GOVERNING STRUCTURE AND MECHANISM OF GOVERNANCE

The governing body of the Association shall be a Council consisting of ten (10) Council members appointed by the members via an election method that accurately represents the majority vote.

- a) **Term of Office:** Council members and office bearers serve for two (2) years, with members' term of office overlapping for the sake of continuity. No Council member

shall serve for more than six (6) consecutive years, unless otherwise agreed by majority council vote. The terms of the president and vice-president should overlap where practical in order to ensure continuity. The immediate past president and vice-president/s may remain a member of the Association and may be eligible for re-election to the position of president or vice-president as long as their tenure on the council does not exceed that of the maximum years stipulated.

- b) **Election of Council Members:** Every paid-up Association member shall be entitled to nominate candidates for election to the Council, prior to the AGM and in line with cut-off dates as published by the Association. Appointments of elected council members shall expire at the next AGM meeting of members.
- c) **Vacancies:** The Council may fill vacancies on the Council that arise throughout the year and after election at the AGM, in a transparent manner, form the list of nominees on the previous AGM ballot.
- d) **Co-opted Council Members:** The Council may by consensus co-opt non-voting Council members, who need not be paid-up members of the Association, until the next AGM.
- e) **Removal of Council Members:** The Council may remove and replace Council Members who do not attend council meetings regularly. The definition of regularly as well as the duties of council members will be determined by a policy that governs council member responsibilities.
- f) **Cancellation of Membership:** The Council may discharge any member of the Association and/ or Council, in line with the stipulations contained in the Code of Conduct. Individuals covered by corporate packages may be replaced at the request of the corporate during the membership year. Full members that wish to cancel their membership must do so in writing. Refunds on membership fees are not paid on cancelled membership.
- g) **Council Accountability:** The Council shall be accountable to the members of the Association.
- h) **Corporate Secretary:** The corporate secretary shall be an *ex-officio* member of the Council.

8. POWERS OF THE ORGANISATION

The Council shall carry out the powers of the Association on behalf of the Association, as directed by the members from time to time in the Annual General Meeting.

- a) **Powers of the Council:** The Council shall have the general powers to pursue the objectives and purpose of the Association, to employ staff and contractors, to contract with third parties, to recover operating costs of the Association from members, to form and operate subcommittees, chapters, workgroups and special interest groups of the Association.

To develop policies and procedures governing the criteria for the various categories of membership of the Association as specified in Article 5; the entrance fees and annual subscriptions for the various categories of membership of the Association; and any other policy of procedure as required for the efficient running of the Association.

9. MEETINGS

Meetings of the Association may be in the form and medium deemed best suited by the council in order to secure as much participation as possible.

- a) **Annual General Meetings** of members must be held no later than six months after the end of the financial year of the Association. Each such meeting shall at least approve its agenda, the minuted records of decisions of its previous meeting, most recent funding records of the Association, determine or confirm the composition of its Council and make changes to the constitution of the Association.
- b) **Motions:** Members wanting to table motions at the annual general meeting must submit a notice of such motions at least two weeks before the meeting, in writing to the corporate secretary.
- c) **Special general meetings** of members may be convened by the Council as required. Special general meetings may be called by any Association member, provided the motion for such a meeting is supported by at least twenty-five (25) other members. Special general meetings will have the same standing as an annual general meeting and need to satisfy the same quorum requirements if voting takes place.
- d) **Council Meetings** must be held at least twice a year, but the frequency will be determined by the president as per the assessed need.
- e) **Chairmanship:** The Council will bi-annually (every two years) elect, from the Council, a president or vice president (periods to overlap) for the Association who will chair all meetings of members and meetings of the Council. If at any meeting the president or vice president are not present, the members attending the meeting will elect a member to chair.
- f) **Quorum:** A quorum for any council meeting shall be 50% of those eligible to attend. For a meeting of members, a quorum shall be a minimum of 30 voting members. Voting does not imply that all the voting members are physically present in the same location, as alternative platforms may be used at the discretion of the council.
- g) **Decisions:** Meetings agree on matters by consensus. If consensus is not reached, a vote by show of hands or alternative appropriate method must be called for by the chair. Voting on Council Members must in all cases be by electronic or utilising an alternative secret ballot method.
- h) **Notice of Meetings:** At least two weeks' notice must be given by email for any Council or members meeting. Meetings of the Council are convened by the corporate secretaries or by the chairman, or by any four members of the Council. Meetings of

members are convened by the Council or by any twenty-five members in good standing.

- i) **Deciding Vote:** In any meeting, if there is an equality of votes, the chair shall have a deciding vote.
- j) **Members are Bound:** All members present in a meeting are bound by the decisions of the meeting.
- k) **Minutes and Agendas:** All meetings must have a written and pre-circulated agenda. A minuted record of decisions and an attendance register must be published to members within a reasonable time after every meeting. Minuted records of decisions shall be kept for at least five years and be open for inspection by any member providing reasonable notice.

10. FUNDING, FINANCES AND REPORTING

The Association will recover its operating expenses from its members by levying membership subscription fees, as well as direct event and sponsorship charges on an equitable basis.

- a) **Non-Trading Entity:** The Association is not a trading entity and any surplus funding recoveries from members must be held over to cover costs of the next financial period, and may not be distributed to members, other than as reasonable compensation for services rendered. Funding and assets left on dissolution of the Association must be given to a non-profit institution with similar objectives. Members and office-bearers have no rights in the property or other assets of the Association solely by virtue of their being members or office-bearers.
- b) **Corporate Secretaries and Trustees:** The Council shall appoint a suitably qualified professional firm or person, to act as financial trustees and corporate secretaries of the Association, who will operate bank accounts on behalf of the Association, maintain its financial and membership records, ensure legal compliance of the Association, and act as its statutory offices and public officers. The trustees and secretaries shall report to the Council and to the members on a regular basis.
- c) **Financial Year end:** The financial yearend of the Association shall be the last day of February of every year.
- d) **Financial Reporting and Audit:** A financial report reflecting the expenditure and fund recoveries for the year as well as a budget for the following year shall be approved by the Council. The statement of expenditure and funding must be counter signed by the trustees and by the auditors of the trustees.

11. AMENDMENTS TO THE CONSTITUTION AND DISSOLUTION

This constitution may be amended by an annual general meeting or special meeting of members, by a two thirds majority of those voting, provided that two weeks' notice was

given to members of the resolution. The Association may be dissolved by a two thirds majority of the active members and its assets disposed of as determined in Section 30B of the Tax Act.

12. COMPLIANCE

The following limitations imposed by Section 30B of the Income Tax Act are recorded:

- a) the entity must have a committee, board of management or similar governing body consisting of at least three persons, who are not connected persons in relation to each other, to accept the fiduciary responsibility of that entity;
- b) no single person may directly or indirectly control the decision-making powers relating to that entity;
- c) the entity may not directly or indirectly distribute any of its funds or assets to any person other than in the course of furthering its objectives;
- d) the entity is required to utilise substantially the whole of its funds for the sole or principal object for which it has been established;
- e) no member may directly or indirectly have any personal or private interest in that entity;
- f) substantially the whole of the activities of the entity must be directed to the furtherance of its sole or principal object and not for the specific benefit of an individual member or minority group;
- g) the entity may not have a share or other interest in any business, profession or occupation which is carried on by its members;
- h) the entity must not pay to any employee, office bearer, member or other person any remuneration, as defined in the Fourth Schedule, which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered;
- i) substantially the whole of the entity's funding must be derived from its annual or other long-term members or from an appropriation by the government of the Republic in the national, provincial or local sphere;
- j) the entity must as part of its dissolution transfer its assets to—
- k) another entity approved by the Commissioner in terms of this section;
- l) a public benefit organisation approved in terms of section 30;
- m) an institution, board or body which is exempt from tax under section 10(1)(cA)(i); or
- n) the government of the Republic in the national, provincial or local sphere;
- o) the persons contemplated in paragraph (b)(i) will submit any amendment of the constitution or written instrument of the entity to the Commissioner within 30 days of its amendment;
- p) the entity will comply with such reporting requirements as may be determined by the Commissioner from time to time; and
- q) the entity is not knowingly and will not knowingly become a party to, and does not knowingly and will not knowingly permit itself to be used as part of an impermissible avoidance arrangement contemplated in Part IIA of Chapter III, or a transaction, operation or scheme contemplated in section 103(5).

13. COMPETITION ACT AND CONFLICTS OF INTEREST

Members of the Association will represent diverse interests, some of which may pose legal risks to the Association and other members.

- a) **Commercial Competitors:** It is recorded that some members of the Association may be commercial competitors and that the activities of the Association and its members are subject to the Competition Act. No matter may be discussed at any meeting of the Association that is likely to be in breach of this act.

- b) **Conflicts of Interest:** In any meeting of the Association, members who are likely to have conflicting interests in matters on the agenda are obliged to alert the chairperson at the beginning of the meeting. Chairpersons should consider recusals where appropriate. Conflicts of interests in an Association context may include not only personal interests but also be third party interests that a member may represent.

This constitution was adopted on _____

at _____ by the undersigned president and Council members.

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