

Constitution

The South African Securitisation and Asset Backed Debt Securities Forum

1. Objects

1.1 Objects.

The South African Securitisation Forum is a professional, non-profit association that aims to promote the development of the securitisation and asset-backed debt securities market in South Africa.

It advocates for stakeholders' collective interests relating to legal, regulatory, and market practice issues, strives to enhance knowledge within the industry through targeted educational initiatives and engages with policy makers, regulators and both local and international stakeholders on matters affecting the industry.

1.2 **Coordinate with other forums.** It is expected that the SASF would co-ordinate, where appropriate, with the European Securitisation Forum, the Australian Securitisation Forum and other industry advocacy groups to act as a constructive force in the world securitisation markets.

2. Nature of the Association and its Profits

2.1 **Universitas personarum.** The SASF is a universitas personarum, constituted under the South African common law, and as such:

- (i) The SASF is a non-profit association that does not have the object of carrying on any business whereby profit or gain is generated for the SASF.
- (ii) (ii) the SASF has perpetual succession, that is, it continues as an entity notwithstanding changes of membership.
- (iii) the SASF holds its assets distinct from its members and no member has any right, title, claim or interest to the assets of the SASF because of membership; and

(iv) The SASF is responsible for payments of its debts.

2.2 **Use of funds.** The SASF is required to utilise its funds and assets solely for the objects for which it has been established.

3. Powers

3.1 **Give effect to the objects.** The SASF shall have the necessary powers to give effect to its objects. This includes the power to:

- (i) enter any arrangement with any governments or authorities, supreme, municipal, or otherwise.
- (ii) invest and deal with the money of the SASF that is not immediately required in such a manner as the SASF may deem fit.
- (iii) remunerate any person or company or services rendered or to be rendered in respect of organising or managing the SASF's affairs.
- (iv) open bank accounts, and draw, make, accept, endorse, discount, execute and issue negotiable or transferable instruments of any kind;
- (v) borrow money.
- (vi) apply for and obtain any law, order, regulation or other authorisation or provision that is to the benefit of the SASF.
- (vii) make such rules as are conducive to the SASF attaining its goals; and
- (viii) generally, do or have all such things done as may appear in the SASF to be incidental or conducive to the attainment of the objects of the SASF.

4. Method of Operation

- 4.1 **Meet with regulators, etc.** It is anticipated that members of the SASF and appropriate committees will meet with regulators and other relevant parties regularly to develop a constructive dialogue that serves to educate regulators and improve industry appreciation for, and influence on, the development of legal, accounting, regulatory, capital, and other related issues.
- 4.2 **Inform members.** The SASF will regularly keep members informed of important ongoing issues and developments.
- 4.3 **Education programs.** The SASF will sponsor high-level education programmes that will attempt to be more focused on serving the securitisation community than those currently available from commercial programmes.
- 4.4 **Industry communication.** The SASF will promote discussion and consensus between all member groups of the SASF.
- 4.5 **Standards.** The SASF will develop industry standards and endeavour to standardise matters within the industry. The SASF will also sponsor research into new developments.
5. **Executive Committee**
 - 5.1 **Final authority.** The governing body of the SASF will be an Executive Committee. Final authority for the SASF, including the winding up of this constitution, will however, unless otherwise specified, reside with a majority of the members of the SASF.
 - 5.2 **Conduct business; delegation.** The Executive Committee shall conduct its own business when in session and may delegate its authority to Committees and Task Forces Meetings may be conducted in person or by electronic means.
 - 5.3 **Number of members.** The Executive Committee will consist of up to 21 members plus any officers given the power to vote on the Executive Committee who have not otherwise been appointed to the Executive Committee.



- 5.4 **Open to all SASF members.** The membership of the Executive Committee will be open to all members of the SASF.
- 5.5 **Election of Chairperson and Deputy Chairperson.** Each of the Chairperson and the Deputy Chairperson of the Executive Committee will be elected by majority vote of the Executive Committee.
- 5.6 **Term.** Subject to clause 5.10, each Executive Committee member's term will be for a period of 2 years. except that:
- (i) the terms of the Executive Committee members may be extended by the Executive Committee as the Executive Committee shall deem appropriate; and
 - (ii) the terms of office of Executive Committee members shall end on the last day of February of the year in which those terms are scheduled to expire, which date is intended to follow closely in time with the date of the SASF's annual meeting, at which elections of Executive Committee members and officers shall take place.
- 5.7 **Initial members.** The initial members of the Executive Committee (and any other Committee) will be appointed by the majority members of the SASF and then present at the meeting first establishing the SASF.
- 5.8 **Categories.** Executive Committee membership will be divided between member categories as set out in the table below. It is intended that membership of the Executive Committee be representative of the diversity of participants in the securitisation industry, to the extent practicable, taking into consideration the SASF's overall goals set out in Clause 1.

Member category	Maximum number of Executive Committee members
Issuer/Originator	3
Investor	4
Commercial Banks	6
Trustees	3



Law firms	2
Accounting firms	2
Other	1

5.9 **Members.** A person is qualified to be appointed to the Executive Committee if, at the time of their appointment, that person is employed by or is an officer or director of a member of the SASF or otherwise has an association, approved by the Executive Committee, with a member of the SASF. Each member of the Executive Committee may appoint an alternate and the representative and the alternate may both attend and participate at meetings of the Executive Committee. However, each member of the Executive Committee has only 1 vote, notwithstanding that the member and his/her alternate may both be present at a meeting.

5.10 **Cessation of employment.** A member of the Executive Committee shall be required to resign his/her appointment on the termination of that member's employment, office, directorship, or association with a member of the SASF, subject to the power of the Executive Committee to

- (i) remove such member in terms of Clause 5.12 and
- (ii) fill a casual vacancy in terms of Clause 5.13.

5.11 **Regular meetings.** The Executive Committee will meet not less than 4 times per year with such other interim meetings (including via teleconference) as deemed necessary by the Chairperson. The Chairperson or his or her designee, in consultation with the Executive Committee, will set dates for such meetings.

5.12 **Removal.** The Executive Committee may remove a member from the Executive Committee for any reason by vote of at least 75% of the full Executive Committee. Failure of any Executive Committee member or his alternate to attend, in person or by electronic means for more than 2 Executive Committee meetings in any calendar year, constitutes sufficient cause for removal.

5.13 **Casual vacancies.** In the event of a casual vacancy occurring in the membership of the Executive Committee, the Executive Committee may appoint a member of the SASF to fill the vacancy and the member so appointed shall hold office, subject to this Constitution, until the conclusion of the annual general meeting at which that position would have been otherwise eligible to be filled but for the casual vacancy.

6. Officers of the Executive Committee

6.1 **Number of Officers.** The Executive Committee will consist of such number of officers as shall be decided by the Executive Committee.

6.2 **Officers.** Subject to the Executive Committee deciding otherwise, the officers of the Executive Committee will consist of:

- (i) the Chairperson.
- (ii) the Deputy Chairperson;
- (iii) the heads of each Subcommittee of the Executive Committee;
- (iv) the Treasurer;
- (v) the Secretary.

7. Officers

7.1 Chairperson and Deputy Chairperson

- (i) The principal duties of the Chairperson and Deputy Chairperson shall be to create policies, and strategies for effecting those policies, to accomplish the goals of the SASF outlined in Clause 1. Together, they will have all the powers enumerated

elsewhere in this Constitution and, in addition, will lead the Executive Committee. The Chairperson shall preside at, be a member and serve as the Chairperson of, all meetings by the Executive Committee, and shall call special meetings of any committee as necessary and appropriate, except as may otherwise be provided at the time any committee is established. The term of the appointment of each of the Chairperson and Deputy Chairperson shall be 2 years, except as extended by action of the Executive Committee as it shall deem appropriate.

- (ii) In the absence of the Chairperson, the Deputy Chairperson shall perform the duties of the Chairperson. The Deputy Chairperson shall generally assist the Chairperson and shall have such other powers and perform such other duties and services as the Chairperson or the Executive Committee shall prescribe, provided that the Deputy Chairperson shall report to the Chairperson.
- (iii) The Chairperson and Deputy Chairperson must have a broad understanding of and experience with the securitisation industry and demonstrated leadership ability and experience with relevant trade or professional organizations and must be willing to devote the time necessary to carry out their responsibilities during their term.

7.2 Secretary

- (i) The Executive Committee shall appoint a Secretary. The term of the appointment of the Secretary shall be 1 year except as extended by action of the Executive Committee as it shall deem appropriate.
- (ii) The responsibilities of the Secretary shall include, in conjunction with the staff of the SASF, (a) the oversight of all records of the Executive Committee, the subcommittees and the members; (b) recording or causing to be recorded the minutes of each meeting of the Executive Committee and (c) performing such other duties as may be requested by the Chairperson or the Executive Committee.

7.3 Treasurer

- (i) The Executive Committee shall appoint a Treasurer. The term of the appointment of the Treasurer shall be 2 years, except as extended by action of the Executive Committee as it shall deem appropriate.
- (ii) The Treasurer shall be responsible for the preparation of the budget and shall present the annual financial statements to the Executive Committee for its final approval. The Treasurer shall report the financial condition of the SASF at each regular meeting of the Executive Committee. The Treasurer shall also perform such other duties as may be assigned to such office by the Chairperson or the Executive Committee.

8. Meetings

- 8.1 **Quorum.** The quorum for meetings of any committee shall be a majority of the voting membership of that committee at the time of the meeting, present electronically, in person or by proxy. No committee may conduct official business without a quorum.
- 8.2 **Voting.** Any matter to be voted upon by a committee shall, except where otherwise specifically required, be approved by the affirmative votes of a majority of members of that committee present in person (which includes presence by electronic means) or by proxy.

9. Constitution

- 9.1 **Adoption and Ratification.** The Executive Committee will adopt the Constitution of the SASF.
- 9.2 **Amendment.** The Constitution may only be amended by a super-majority vote of two-thirds of the members of the Executive Committee present electronically, in person or by proxy at a meeting at which a quorum is present.
- 9.3 **Additional Operating Procedures.** Any committee may establish additional operating procedures regarding its own business to the extent not inconsistent with these Operating Procedures.

10. Committees

- 10.1 **Establishment and staffing.** The Executive Committee will establish and staff the other standing or ad hoc committees and task forces.
- 10.2 **Members.** Committees established by the Executive Committee will be open to any member of the SASF. The Executive Committee will appoint the members of each Committee.
- 10.3 **Head.** The head of each Committee must be an Executive Committee member, Officer, or their principal alternate. The Executive Committee will appoint the head of each Committee.
- 10.4 **Term of the head.** The head of each Committee will have a term of 2 years, except as extended by action of the Executive Committee, as it shall deem appropriate.
- 10.5 **Initial Subcommittees.** The Executive Committee may decide from time to time to establish any subcommittee at its discretion. The initial subcommittees may comprise the following:
- (i) Legal and Regulatory Subcommittee;
 - (ii) Accounting and Tax Subcommittee;
 - (iii) Membership Subcommittee;
 - (iv) Market Standards and Practices Subcommittee;
 - (v) Communication and Education Subcommittee;
 - (vi) Investor Subcommittee;
- 10.6 **Meetings.** The Subcommittees may meet at any time they may choose. Dates for such meetings will be set by the head of the relevant subcommittee in consultation with the subcommittee.

11. Employees and Employment Matters

11.1 **Staff.** A dedicated, full-time professional and administrative staff at a level necessary to support and carry out its activities effectively and efficiently may be appointed to support the SASF.

12. Notices

12.1 **Types of Notice.** Notices will be delivered by electronic means and shall be deemed delivered upon successful transmission of such electronic message.

12.2 **Waiver of notice.** Whenever any notice is required to be given to any member, officer or committee member of the SASF under the provision of any statute or this Constitution, a waiver thereof in writing signed by the person or persons entitled to such notice, whether signed before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

13. Membership, Budget, and Finance

13.1 **Membership of SASF.** Membership of the SASF will be open to all professional participants in the securitisation industry, including without limitation issuers, originators, dealers, arranging banks, underwriters and other financial intermediaries, investors, servicers, guarantors, rating agencies, trustees, information technology specialists, lawyers and accountants. A member (whether an individual or institution) need not be a South African resident. The Membership Subcommittee may develop further membership criteria from time to time, subject to approval by the Executive Committee.

13.2 **Membership application.** An application for membership to the SASF by any individual or business organisation must be made in writing in the form approved by the Membership Subcommittee from time to time, signed by its nominated representative (who must be specified as such in the application) and lodged with the Secretary.

- 13.3 The **Executive Committee must approve membership applications**. The Secretary must refer an application for membership in the SASF to the Executive Committee as soon as practicable after receiving the application. The Executive Committee may approve or reject an application for membership in the SASF in its sole and absolute discretion.
- 13.4 **Nominated Representatives**. All notices and other communications to a member will be sent to its nominated representative. A member may from time to time replace its then-nominated representative by notification to the Secretary.
- 13.5 **Membership entitlements are not transferable**. A right, privilege, or obligation which a business organisation has because of being a member of the SASF.
- (i) is not capable of being transferred or transmitted to another person or organisation,
 - (ii) terminates upon the cessation of the organisation's membership of the SASF and
 - (iii) is capable of being exercised only by the nominated representative of that organisation.
- 13.6 **Cessation of membership**. A business organisation will cease to be a member of the SASF if
- (i) the organisation resigns as a member by written notice to the Secretary or
 - (ii) the Executive Committee determines that such an organisation's membership of the SASF should be terminated.
- 13.7 **Funding**. The SASF will be entirely self-funded through membership dues and other sources of revenue (such as educational conferences).
- 13.8 **Levels and dues**. Membership dues will be determined annually by the Membership Committee and be subject to approval by the Executive Committee before the Annual General Meeting.



13.9 **Pay dues.** In the year in which a member first joins the SASF, after 30 days (or such other period as shall be determined by the Chairperson in the reasonable exercise of his or her discretion) from notification by the membership committee of acceptance of that member, that member will not be able to attend meetings unless it shall have paid the required amount of membership dues. In subsequent years, a member will not be able to attend meetings unless they have paid the required amount of membership dues by March 31 of that year.

13.10 **Policies for broken periods.** Dues payable for new SASF members will be calculated based upon the pro-rata number of months of membership the new participant will enjoy, rounded to the closest month end. Pro-rata dues are payable after the end of June for the remainder of the year. This policy applies to new SASF members only.

13.11 **Yearly membership.** Members' financial commitment to the SASF will be yearly.

13.12 **Fiscal year.** The fiscal year of the SASF shall be from March 1 to February 28 each year and annual financial statements, prepared in terms of generally accepted account practice, shall be prepared as this date. These accounts shall be subject to annual examination by an independent firm of registered accountants and auditors. The annual financial statements shall be audited within 90 days after year-end and shall be presented to the annual general meeting of SASF for ratification, after having been approved by the executive committee of SASF.


14. Indemnity

14.1 **Liability.** Every member of the Executive Committee, agent, auditor, secretary, servant and any other officer or employee for the time being of the SASF, shall be indemnified out of the assets of the SASF, against any liability incurred by him arising out of his aforesaid office in defending any proceedings, whether criminal or civil, on which judgment is given in his favour or in which he is acquitted, provided that the SASF's liability pursuant to such indemnity shall only extend to such amount which the Executive Committee in its discretion may decide.



14.2 **Dissolution and winding-up.** Should the SASF be dissolved or wound up, the assets of the SASF must be given or transferred to another society, association, or company with a similar non-profit goal to that of the SASF, after all obligations of the SASF have been met.

APPROVED AT THE ANNUAL GENERAL MEETING 16 MAY 2024

KURT VAN STADEN (CHAIRMAN)  _____