



**SOUTH AFRICAN  
SECURITISATION FORUM**

# **SASF ANNUAL GENERAL MEETING**

**THURSDAY 19 MAY 2016 11H30 AT  
JOHANNESBURG COUNTRY CLUB  
WOODMEAD, SANDTON  
(Cnr Lincoln Road & Woodlands Drive)**

**THE HEDGEHOG ROOM –  
FUNCTION ID 023110**

**Parking available in the visitors parking area.**

# **WELCOME AND APOLOGIES**

## **ADOPT AGENDA**

## SOUTH AFRICAN SECURITISATION FORUM

NINTH ANNUAL GENERAL MEETING TO BE HELD ON THURSDAY 19 MAY 2016  
AT 11H30  
AT THE JOHANNESBURG COUNTRY CLUB, WOODMEAD, JOHANNESBURG.  
CORNER LINCOLN ROAD & WOODLANDS DRIVE, WOODMEAD, SANDTON

THE HEDGEHOG ROOM – Function ID 023110

### AGENDA

11h15 Tea and coffee will be available

11h30

1. Welcome and Apologies
2. Adopt agenda
3. Approval of the Minutes of the Annual General Meeting held on 21 May 2015
4. Presentation and adoption of Chairman's Annual Report for 2016
5. Presentation and adoption of Financial Report for 2016
6. Budget for 2017
7. Membership Fees – 1 March 2016 to 28 February 2017
8. Reports from sub-committees
  - 8.1 Legal & Regulatory - Hendrik Ackermann
  - 8.2 Communication & Education/Investors - Jana Kershaw
  - 8.3 Tax & Accounting - Rishendrie Thanthony
  - 8.4 Membership - Nicholas Gunning
9. Election of Office Bearers for 2016/2017
10. General

The meeting will be followed by a finger lunch

## **APPROVAL OF PREVIOUS MINUTES**

MINUTES OF THE MEETING OF THE ANNUAL GENERAL MEETING OF THE SOUTH AFRICAN SECURITISATION FORUM HELD ON 21 MAY 2015 AT 11H45 AT THE JOHANNESBURG COUNTRY CLUB, CNR LINCOLN ROAD & WOODLANDS DRIVE, WOODMEAD, SANDTON – STARLING ROOM

## 1. WELCOME & APOLOGIES

The Chairman, Brendan Harmse, welcomed all those present. A total of 51 persons, including members and their guests, were in attendance.

Apologies were received from:

Charlize Wiederkehr	TMF Corporate Services SA(Pty)Ltd
Leshni Dial-Harikaran	Prudential
Sylvia Chahonyo	Moody's
Johan Marnewick	Libfin (Liberty)
John Doidge	TMF Corporate Services SA (Pty)Ltd
JP McCracken	Fintech
Kevin Cochran	Libfin (Liberty)
John Martin	KPMG
Lesley Wallace	Deloitte & Touché
Rob Kelso	SA Homeloans
Nelis Zeelie	BMW Finance
Sihlalo Jordan	Deloitte & Touché
Simon Howie	Investec Asset Management SA
Tom O'Connell	IEMAS
Alison Blanchard	Bayport Finance
Zenelle Stofberg	Real People
Beyers Roux	ABSA Capital
Prasanna Nana	ABSA Capital
Braam Viljoen	Merchant West
Phillip Myburgh	Stanlib
Sonia Torres	Investec Bank
Stephen von Shirnding	ENS
Karen Couzyn	Webber Wentzel
Prasheena Jaganath	ABSA Capital
Carl Zeiler	Investec Bank
Janine van Rensburg	Mettle Investments
Werner Maree	Mettle Investments
Wesley May	Mettle Investments
Philip Myburgh	Stanlib

## 2. APPROVAL OF MINUTES OF THE SEVENTH MEETING

The minutes of the previous annual general meeting, which had been circulated beforehand, were tabled. In the absence of comments from the floor, approval of the minutes was proposed by Richard Roothman and seconded by Rishendrie Thanthony. The minutes were approved for signature by the Chairman.

### 3. MATTERS ARISING

The Chairman reported that the tax exemption application from SARS has been approved.

Developments regarding the Securitisation Issuance Guidelines would be covered in the Chairman's Report.

### 4. PRESENTATION & ADOPTION OF CHAIRMAN'S ANNUAL REPORT

The Chairman presented his Report, a copy of which had been included in the pack for the AGM and which would be published on SASF's website at [www.sasf.co.za](http://www.sasf.co.za).

For the period under review, most areas of the Forum functioned well. Regular EXCO meetings were held to discuss the various matters the Forum had been dealing with and to receive reports from the sub-committees on their activities. A number of legal and regulatory issues potentially impacting the Securitisation industry had been dealt with and closed, and the Chairpersons of the sub-committees would later provide operational accounts of what the Forum had done over the past year to support the Securitisation industry in South Africa.

The Chairman summarised market conditions and developments locally and overseas over the past year, as detailed in the Board pack. The South African Securitisation Industry in 2014/15 had been adversely affected by the demise of African Bank, but there was the prospect of medium-term recovery in terms of Basle 3's need for longer term funding.

Changes to EXCO during the year resulted from the resignation of Michelle Rosen from Stanlib; she had been involved in the South African Securitisation industry since its infancy. The Chairman wished her all the best in the future. Kurt van Staden had left Maitland Group, being replaced by his alternate, Mr David Towers.

The Chairman was obliged to step down from his post since his three year term was up in terms of the Constitution, but he would be available to serve on EXCO, as the representative of TMF Corporate Services, if elected to do so. All other Exco members had expressed their willingness to continue in their roles if re-elected except for Hendrik Ackerman, the Deputy Chairman, who had asked to step down from his role. He would remain on EXCO and retain his position as Chairman of the Legal & Regulatory sub-committee.

The Chairman thanked the EXCO members for their time and support during the past year, especially the Legal and Regulatory sub-committee for their services to the Securitisation Industry.

He extended a warm welcome to the new members who would be elected onto EXCO and thanked the meeting for the three years they allowed him to serve as Chairman of the Forum.

No questions were raised. Amanda Farnworth proposed the Chairman's report be adopted for inclusion in the minutes. This was seconded by David Towers and the proposal was approved.

### 5. PRESENTATION & ADOPTION OF THE FINANCIAL REPORT FOR THE 12 MONTHS ENDED 28 FEBRUARY 2015.

The Financial Report as included in the pack for the AGM had been approved at the EXCO meeting held prior to the AGM and taken as read.

The Treasurer, Carmen Maisenbacher, clarified that the budget shortfall in the financial statements was attributed to two factors; the 2014 tax opinion on POPI, budgeted for 2014, was billed for in the 2015 year. Secondly, the discretionary bonus for consulting secretarial fees was not budgeted for. On a rolling two-year basis however the actual against budget figures showed a surplus.

The cash position remained positive as at 30 April 2015.

The EXCO recommended that annual membership fees of R15 000 remain unchanged.

The adoption of the proposed 2015/16 budget and membership fees for the year ahead was tabled and approved. This was proposed by Louis Dirker and seconded by Hendrik Ackermann

The adoption of the Financial Statements (as included in the AGM pack and attached as part of these minutes) was tabled for approval. This was proposed by Louis Dirker and seconded by Jana Kershaw. The proposal was unanimously accepted by the AGM.

The Financial Statements were signed by the Chairman and the Secretary. These would be forwarded to the auditors.

## 6. PRESENTATION OF REPORTS FROM SUB-COMMITTEES

The various reports included in the AGM pack were tabled. The reports, together with the Financial Statements, would be reflected on the SASF website.

**Legal and Regulatory** - Hendrik Ackermann tabled the report. He thanked the members of the sub-committee for their regular attendance, hard work and support during the year. There were no questions and adoption of the report was proposed by Yohan Assous and seconded by Nick Gunning.

**Communication and Education** - Jana Kershaw tabled the report. She urged members to visit the SASF website and check the list of Investor reports currently reflected thereon. She advised that the UCT Securitisation Course would be held on 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> August 2015 and would cover all aspects of the theory of Securitisation as well as a case study. It was a very informal course and brochures and information pertaining thereto could be found on the forum's website.

There were no questions and adoption of the report was proposed by Marcu Landman and seconded by Lourandi Kriel

**Tax & Accounting** - The Chairman verbally reported that there had been no formal sub-committee during the past year, and no pressing issues have come to the fore that had not been addressed by the Legal & Regulatory sub-committee.

A Legal & Tax sub-committee would be constituted for the New Year to consider changes in interest and de-recognition of assets incorrectly shown on balance sheets of the issuer. Another issue is whether Director Remuneration disclosure, for originator representatives, is required in terms of the Companies Act.

There were no questions.

**Membership** - Nick Gunning tabled the report. Exco had recommended that the membership fee remained at R15 000 per annum for the New Year and he thanked all 25 members for past payment. The Forum would be looking to increase membership. He also noted that Investors were under-represented on the Forum and he would look at approaching them to join.

There were no questions and adoption of the report was proposed by Andre Pottas and seconded by Amanda Farnworth.

No further issues were raised and adoption of the reports was unanimously accepted by the AGM. The Chairman thanked the Chairpersons of the sub-committees for their services during the year.

## 7. ELECTION OF THE EXECUTIVE COMMITTEE FOR 2015/2016

There were a few changes in the composition of EXCO over the past 12 months.

- a) Michelle Rosen of Stanlib and Kurt van Staden of Maitland Group resigned during the year. They were replaced by their alternates, Philip Myburgh and David Towers and respectively.

- b) Neville Krige of Webber Wentzel resigned. Alexander Scalco and Fadzai Mandaza were appointed during this time both of whom subsequently resigned with Lindi Marais taking up the position as representative.
- c) Brendan Harmse, after his 3 years tenure, stepped down as Chairman of the Forum at the AGM.
- d) Hendrik Ackermann, who acted as Deputy Chairman, stepped down from that position with effect from the date of the AGM and was replaced by Brendan Harmse.
- e) David Towers agreed to accept the position of Chairman of the Forum.

The remaining EXCO officers indicated that they would be willing to stand for re-election.

The following office bearer positions for the EXCO were noted.

Chairman	David Towers
Deputy Chairman	Brendan Harmse
Treasurer	Carmen Maisenbacher
Secretary	Pat Benbow-Hebbert
Legal & Regulatory sub-committee	Hendrik Ackermann
Tax & Accounting	Rishendrie Thanthony
Communication & Education sub-committee	Jana Kershaw
Membership sub-committee	Nicholas Gunning

The remainder of EXCO would comprise

Walter Green  
 Nelis Zeelie  
 Lourandi Kriel  
 Simon Howie  
 Louis Dirker  
 John Martin  
 Direen Eraman  
 Rob Kelso  
 Richard Roothman  
 Nicholas Gunning

The Exco recommendations were approved by the AGM.

## 8. GENERAL

David Rajak of Bayport advised that they were experiencing a problem with onward submission votes for their securitisation transaction from the relevant CSDP to Strate. While noteholders had submitted their votes to the relevant CSDP, the CSDP failed to submit these votes to Strate, which led to an extended voting period and almost compromised the vote. It was decided that JK, representing the SASF and DT would take it up with the CSDP and Strate.

The incoming Chairman, David Towers, thanked the committee for their sterling work over the past year.

He thanked the outgoing Chairman, Brendan Harmse, for successfully driving the process forward, addressing a significant number of issues as well as raising the Forum's profile in his tenure as Chairman.

There were no further questions or comments, and the Chairman thanked everyone for their attendance before declaring the meeting closed.

The meeting was followed by a finger lunch.



# **PRESENTATION AND ADOPTION OF CHAIRMAN'S ANNUAL REPORT FOR 2016**

## **Chairman's Report to the Annual General Meeting 19 May 2016**

Members of the Executive Committee ("Exco") of the South African Securitisation Forum ("the Forum"), Chairpersons of the various Sub-Committees of the Forum, other Forum members, ladies and gentlemen:

### **1. Introduction**

- a. On behalf of the Exco and other Forum members I would like to welcome everyone to our 9<sup>th</sup> Annual General Meeting ("AGM"). It is a privilege and honour for me to host the AGM as Chairman of the Exco for the first time.
- b. At the AGM we take the opportunity to report back to the stakeholders on the activities of the Forum during the year and to discuss the challenges in the industry and progress and achievements made by the Forum over this period.
- c. At the AGM we are also required to elect the office bearers of the Forum for the following year.
- d. We will also report back on our financial position.

2. The Forum has had another busy year and functioned well over this period. It has been active in a number of areas and its key sub-committees have had regular meetings during the year to discuss various key issues facing the industry.

- a. As I'm sure you are aware, the sub-committees of the Forum are the
  - i. Legal & Regulatory
  - ii. Tax and Accounting
  - iii. Education and Communication
  - iv. Membership
- b. The Treasurer and Chairpersons of the sub-committees will provide you with their own reports of the activities of these committees over the course of the past year.

- c. As is customary, I will highlight and summarise some of the major events in the last year as they pertain to or influence our industry.

### 3. Global and Domestic Conditions

- a. Global growth has remained slow although there have been signs of some improvement. The slowdown in China will impact the rest of the globe. The US and European monetary authorities began the process of tightening monetary policy, however, this appears to have been a stuttering start, given the uncertainty of the level and consistency of the recoveries in these economies, and has thus has been implemented hesitantly. It is not certain if tightening will continue with the original gusto as it originally outlined when the period began.
- b. There is considerable political uncertainty in both the US with a rather unusual presidential election taking place this year and in the UK which will vote in a month whether or not to remain part of the European Union. The market has hinted at higher funding costs should the “Brexit” camp win the day with the concomitant impact on the entire UK economy.
- c. The South African economy continues to underperform with sluggish growth of 1.3% last year and a worsening performance expected in the coming year with the IMF predicting growth of only 0.6%. in 2016. The SARB has indicated a “trend” growth rate of 1.5% in GDP, which is well below a growth rate required for this country to get back on track. Recent reports of the ever increasing jobless statistics are a serious concern. The country needs much higher growth to reduce these numbers significantly. While the SARB has embarked on a monetary tightening policy which began late 2014, given the poor growth rate and stagnant economy, its decision on rates next month will be particularly testing, despite on-going inflationary pressures. The protection of the currency versus support of the economy remains a tension in their decision making process. As we know only too well the economy has also been hampered by accusations of corruption at the highest levels, denting confidence both from the local investors and indeed the international investors. The appointment of two different finance ministers in rapid succession towards the end of last year only compounded these concerns. We trust and hope that there will be some stability in this regard moving forward. These events in particular severely impacted the value of the Rand and it has struggled to recover consistently since those events.

- d. Another concern that has been hanging over the investor community and indeed the entire country like the sword of Damocles has been the outcome of the various rating agencies reassessment of the sovereign rating of South Africa. Just under two weeks ago Moody's became the first to conclude this process. I had hoped that Moody's would retain its existing rating and indeed they did. They are seldom swayed by short-term, immediate issues or crises and as I had expected were impressed by the integrity of the nation's key institutions, in particular the Constitutional Court which displayed its independence. Moody's rating remains two notches above the sub-investment grade level. We still await the results from Fitch and Standard & Poors later in the year. These are more precarious as a downgrade of only one notch will see South Africa slide into the relegation zone of sub-investment grade or to use the more popular term "junk status". Despite Moody's confirmation, albeit with a negative ratings outlook, should one or both of the other rating agents downgrade the country's sovereign rating this could have further negative impact upon the economy including the exchange rate, although to some extent this risk may already have been factored in by market players.

#### 4. European Securitisation Industry

- a. The various regulators in the European market are working a number of proposals which could impact the securitisation industry and indeed the South African market too as our regulators look to these initiatives to drive changes in the country.
- b. In a recent article on the European industry Moody's cited various reasons for the slow recovery of the securitisation market. On the issuance side the on-going regulatory uncertainty has impacted on decision making while rising costs which follow a changing regulatory environment deter issuance. From the investors side there has been a loss of confidence in the market coupled with a difficulty in assessing the transactions, many being regarded as complex or opaque.
- c. The main focus of regulatory reform has been on the proposed Simple Transparent and Standardised or Comparable structures ("STS") which hopefully could reignite the industry. Aside from improving transparency with a positive outcome on the investor appetite front, structures which comply with this proposal would receive improved and adjusted capital weightings with regard to these assets. The Basel Committee on Banking Supervision and IOSCO has published a full non-binding report on this topic while the European Commission and EBA have published proposals

and opinions on this and on risk retention, due diligence and disclosures for the industry.

- d. The STS could well assist in reviving the industry under a robust framework attractive to the investor industry while levelling the playing fields with other instruments.
- e. On the rating front European RMBS and ABS deals remained strong from a credit perspective.
- f. Securitisation issuance in 2015 was US\$235bln, down 17% from last year. 62% of issuance was retained, presumably for repo purposes or other secured lending. Issuance in the first quarter of 2016 is US\$62bln, 75% being retained. These were driven predominantly by RMBS deals followed by CDOs, CMBS and Auto loans. Over 40% of outstanding securitisation deals were rated Aaa with 70% being A or above. Unrated deals amounted to 12% of the total while 9% were sub-investment grade. The largest issuers were the UK followed by Spain, Netherlands and Italy.
- g. At the end of 2015 total outstandings were US\$1,6 trillion.
- h. ABCP outstanding notes in quarter 2 of 2016 amounted to Euro19,4 bln, down from Euro18 bln at the end of 2014. Multi-seller conduits continued to dominate the category of issuer.
- i. Moody's anticipates a slight increase in issuance in 2016 but no sizeable growth,
- j. What will assist is that the ECB has extended its Asset Backed purchase programme beyond its current expiry date this year to March 2017.

## 5. Local Conditions

- a. The fall-out from African Bank collapse continued into 2015, with investors still remaining wary of securitisation structures.
- b. Industry remained hampered by the struggling economy and the uncertainty created by an ever changing regulatory environment.

- c. Having fallen over 30% the previous year term securitisation grew 20% to R9,5 bln during 2015 mainly off the back of RMBS deals, many of which were in terms of the liquidity facility scheme offered by the SARB to assist banks in meeting the Basel III requirements (“CLF”). Despite this increase, issuance was still below 2013 levels. Issuance to date in 2016 amounts to R2,6 bln. However, there are some positive signs with further CLF deals taking place as well as non-bank securitisations coming to the market or being placed privately in the first quarter and into the second quarter of this year. However, the return to the levels from previous year remains some way off.
- d. ABCP issuance continues to decline, current issuance being below R16bln, well below the R23 bln at the end of 2014. In 2007 at its peak the ABCP market was R65 bln. Having been stable in the region of R23 – R25 bln for nearly three years to the middle of last year the issuance trend has been downward. The market has not recovered yet from the adverse impact of BN 80 despite its replacement by the more amenable BN 90. Investors have demanded higher spreads on ABCP issuance with 3 month paper now demanding in the region of Jibar plus 50 b.p. The trend has been upward for some time now, these levels are double the spreads of 20 – 25 b.p. in early 2013.

## 6. Legal and Regulatory Developments

- a. One of many unwanted disruptions that the market had to face in the last year was the withdrawal of Fitch Ratings as an accredited rating agent in terms of the new regulations. This resulted in ratings by Fitch no longer being able to be utilised by investors for regulatory purposes and the agency not being recognised by the regulators. Case by case extensions of their ratings were granted by the FSB for short periods which meant that in most cases structures required to be re-rated by another rating agent. This resulted in periods of uncertainty and of course additional expense.
- b. Although already on the radar in 2014, the FATCA legislation became effective in the middle of 2015. The industry has been uncertain of the interpretation the legislation and whether it applied to the various entities that form part of a securitisation structure. Individual entities have obtained their own legal opinions but during the year the Forum determined to obtain an opinion which could be shared and potentially ensure a common approach by the industry. This will become even more relevant when the

European Common Reporting Standards become effective in the very near future.

- c. The Forum has also become actively involved in the BASA technical working group on Securitisation and through this working group it has submitted proposals to amend the Securitisation Regulations to address certain provisions.
- d. No progress was made into the investigation into the possibility of developing a framework for Covered Bonds when it was established that the introduction of these bonds would have only a marginal impact upon banks' NSFR.
- e. During the year the Forum embarked on a process of engagement with the JSE highlighting our members' concerns with the approval and listings process. Although we expect this process to be an on-going one we see the JSE's willingness to engage as a positive sign which we will use to highlight the industry concerns and hopefully help convince the regulator of the need to ensure an efficient and consistent market environment in the regulatory space. Amongst the topics we are exploring with the JSE are finding common ground with the standard reporting of data to avoid too many different templates, efficiency and consistency with the approval process as well as pricing of certain instruments.
- f. The Forum has also engaged with the CSD, Strate, and the various CSDPs to explore how to improve the voting process for listed deals. Members have experienced difficulty ensuring the voting process runs smoothly and can be relied upon to operate within the tight timeframes without manual intervention. This is also an on-going project.
- g. On the topic of market regulators we are interested to note that there are new players in both the exchange and CSD space and will watch this with interest to see how this unfolds. Competition in every area, including the regulatory space is always positive for the market.
- h. On a more positive note there has been an increase in interest in the Forum over the past year resulting in a rise in the membership of the Forum with more active members.

## 7. Exco changes and other matters impacting the Forum

- a. The key change over the past year was the retirement of Brendan Harmse as Chairman of the Forum, having completed his maximum permitted term of three years. Brendan's contribution to the Forum was huge and I'm sure everyone will echo my appreciation of his services to the industry. Brendan agreed to continue as Vice Chairman over the past year. I took over last year in May and have completed my first year in the post.
- b. The Constitution allows office bearers to hold their positions for a maximum of three years.
- c. Other changes to Exco were:
  - i. Lourandi Kriel resigned from Fintech and was replaced by JP McCracken on 18 February 2016. Fintech was purchased by Sasfin during the year. JP will now represent the merged entity under the Sasin banner.
  - ii. Walter Green resigned as the ABSA representative on 20 August 2015 and was replaced by Andrew Fok on 05 November 2015. Andrew in turn resigned in April this year. His replacement has yet to be finalised as I write this.
- d. I am very pleased to announce that all the members and the chairpersons have expressed their willingness to continue to serve in the coming year.
- e. I would like to thank all the members of the Exco and the sub-committee members for their service to the Forum over the past year.
- f. I would also like to express my heartfelt thanks to our Secretary Pat Benbow-Hebbert without whom the Forum would struggle to function as efficiently as it does. Aside from keeping all the numerous Forum affairs in excellent order she keeps all the Exco members in check cajoling them into action whenever necessary.



## 8. Other Matters/ Conclusion

- a. Due to changes and developments in the market since the Forum was established in 2009 a revision to the constitution was proposed to allow for an increase in the Exco to accommodate additional new members.
- b. We are also embarking upon a revision of the annual Securitisation course held under the auspices of the UCT. It was felt that a fresh approach was required.
- c. Please feel free to participate freely and fully at this AGM. We are always open to suggestions on how to improve the functioning of the Forum. Our purpose is to serve you the industry as best we can.
- d. Thank you.

David Towers  
Chairperson, South African Securitisation Forum  
19 May 2016

# **PRESENTATION AND ADOPTION OF FINANCIAL REPORT FOR 2016 AND BUDGET FOR 2017**



## **SASF AGM - 19 MAY 2016**

### **TREASURER'S REPORT- AGM**

#### **Financial statements for year ended 28 February 2016**

- These have been drafted by Nolands.

#### **Cash position for the 2015/2016 year**

- Refer to table 1 *Cash flow statement – actual compared to budget for financial year ended February 2016 (FY2016)*.

#### **Budget for 2016/2017 year**

- Refer to table 2 *Cash flow statement – actual for FY2016 compared to budget for FY2017* for assumptions used in setting the FY2017 budget.
- FY2017 budget to be approved at the AGM.

# 1. Cash Flow Statement – Actual from 1 March 2015 to 28 February 2016 compared to Budget from 1 March 2015 to 28 February 2016

SOUTH AFRICAN SECURITISATION FORUM				
BUDGET VS ACTUAL RESULTS - 1 MARCH 2015 - 29 FEBRUARY 2016				
Income Statement:	Actual	Budget	Variance	Comments on variance between actual YTD and budgeted YTD
	YTD 29-Feb-16	FULL YEAR 29-Feb-16	Till 29-Feb-16	
<b>Income</b>	<b>413,422</b>	<b>392,012</b>	-21,410	
Interest	20,922	17,012	-3,910	Actual higher than expected
Membership Fees	392,500	375,000	-17,500	Budget exceeded due to new members
<b>Expenses</b>	<b>322,183</b>	<b>402,986</b>	80,803	
Auditors	11,970	12,225	255	As expected
Bad debts	-	-	-	As expected
Bank charges	1,879	1,922	44	As expected
Website design, maintenance costs	39,707	39,801	93	As expected
Consulting secretarial fees	236,600	253,162	16,562	Actual lower than expected
Legal costs	-	-	-	None expected
AGM expenses	12,742	15,701	2,958	Actual lower than budgeted
Sundry office costs	6,352	10,987	4,635	Actual lower than budgeted
Secretarial fees	-	-	-	As expected
Travel	12,933	19,188	6,255	Actual lower than budgeted
General provision - contingency	-	50,000	50,000	Not incurred yet - FACTA opinion R30k for FY2017
<b>Profit/(loss) before tax</b>	<b>91,239</b>	<b>-10,974</b>	-102,213	
<b>Tax</b>		-	-	
<b>Profit/(Loss) after tax</b>	<b>91,239</b>	<b>-10,974</b>	<b>-102,213</b>	
Cash at Beginning of the year	300,766	300,766		
Add: Net income over expenses	91,239	-10,974		
<b>Closing cash balance</b>	<b>392,005</b>	<b>289,792</b>		More new members than expected. Costs lower than budgeted General provision not used.

## 2. Cash Flow Statement – Actual from 1 March 2015 to 28 February 2016 compared to Budget from 1 March 2016 to 28 February 2017

<b>SOUTH AFRICAN SECURITISATION FORUM</b>				
<b>BUDGET VS ACTUAL RESULTS - 1 MARCH 2015 - 29 FEBRUARY 2016</b>				
<b>Income Statement:</b>	<b>Actual</b>	<b>Budget</b>	<b>Increase for 2017</b>	<b>Comments on increases for FY2017 budget</b>
	<b>YTD 29-Feb-16</b>	<b>FULL YEAR 28-Feb-17</b>		
<b>Income</b>	<b>413,422</b>	<b>455,922</b>		
Interest	20,922	20,922	0%	Maintain at FY2016 actual
Membership Fees	392,500	435,000	11%	Fee remains same as prior year. Membership assumed at 29
<b>Expenses</b>	<b>322,183</b>	<b>401,514</b>		
Auditors	11,970	12,688	6%	Increase by 6% of FY2016 actual
Bad debts	-	-	0%	None expected
Bank charges	1,879	1,991	6%	Increase by 6% of FY2016 actual
Website design, maintenance costs	39,707	42,090	6%	Increase by 6% of FY2016 actual
Consulting secretarial fees	236,600	250,796	6%	Increase by 6% of FY2016 actual
Legal costs	-	-	0%	None expected
AGM expenses	12,742	13,507	6%	Increase by 6% of FY2016 actual
Sundry office costs	6,352	6,733	6%	Increase by 6% of FY2016 actual
Secretarial fees	-	-	0%	None expected
Travel	12,933	13,709	6%	Increase by 6% of FY2016 actual
General provision - contingency	-	60,000	0%	Increase by R10,000 of FY budget
<b>Profit/(loss) before tax</b>	<b>91,239</b>	<b>54,408</b>		
<b>Tax</b>		<b>-</b>		
<b>Profit/(Loss) after tax</b>	<b>91,239</b>	<b>54,408</b>		
Cash at Beginning of the year	300,766	392,005		
Add: Net income over expenses	91,239	54,408		
<b>Closing cash balance</b>	<b>392,005</b>	<b>446,413</b>		

**The South African Securitisation Forum  
Annual Financial Statements  
for the year ended 29 February 2016**

**The South African Securitisation Forum**  
**Annual Financial Statements for the year ended 29 February 2016**

**General Information**

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**Nature of business and principal activities** To promote the development of securitisation in South Africa.

<b>Executive committee members</b>	<b>Name</b>	<b>Change in appointment</b>
	D Towers (Chairman)	Appointed 21 May 2015
	B Harmse (Deputy Chairman)	Resigned as Chairman / Appointed as Deputy Chairman 21 May 2015
	C Maisenbacher (Treasurer)	
	H Ackermann	Resigned as Deputy Chairman 21 May 2015 / remains Exco
	R Thanthony (Chairman of Tax and Accounting)	Appointed 21 May 2015
	R Kelso	
	N Zeelie	
	S Howie	
	R Roothman	
	J Martin	
	D Eraman	
	P Myburgh	
	N Gunning	
	L Marais	
	L Dirker	
	J Kershaw	
	L Kriel	Resigned 18 February 2016
	JP McCracken	Appointed 18 February 2016
	W Green	Resigned 20 August 2015
	A Fok	Appointed 05 November 2015 Resigned April 2016

<b>Alternates</b>	<b>Name</b>
	A Ideler
	M Mutch

<b>Auditors</b>	Nolands Inc Chartered Accountants (S.A.) Registered Auditors
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<b>Secretary</b>	P Benbow-Hebbert
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# The South African Securitisation Forum

## Annual Financial Statements for the year ended 29 February 2016

### Index

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The reports and statements set out below comprise the annual financial statements presented to the members:

Index	Pages
Report of the Independent Auditors	3 - 4
Statement of Financial Position	5
Statement of Comprehensive Income	6
Statement of Cash Flows	7
Accounting Policies	8
Notes to the Annual Financial Statements	9 - 10

The following supplementary information does not form part of the annual financial statements and is unaudited:

Detailed Income Statement	11
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The annual financial statements set out on pages 6 to 11, which have been prepared on the going concern basis, were approved by the executive committee on 16 May 2016 and were signed on its behalf by:

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Chairman

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Deputy Chairman

Johannesburg

16 May 2016



## Report of the Independent Auditors

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### To the members of The South African Securitisation Forum

We have audited the accompanying annual financial statements of The South African Securitisation Forum, which comprise the statement of financial position as at 29 February 2016, the statement of comprehensive income and the statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes as set out on pages 6 to 11.

### Responsibility for the financial statements

The executive committee's members are responsible for the preparation and fair presentation of these annual financial statements in accordance with the basis of accounting as described in Note 1 and for such internal controls as the executive committee members determine necessary to enable the preparation of the annual financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these annual financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the accompanying annual financial statements have been prepared, in all material respects, in accordance with the basis of accounting described in Note 1.

**Supplementary Information**

The supplementary information set out on page 11 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Nolands Inc  
Registered auditors  
Practice number: 900583e  
Per: Craig Stansfield CA (SA), RA  
Director

Cape Town  
16 May 2016

The South African Securitisation Forum  
Annual Financial Statements for the year ended 29 February 2016

Statement of Financial Position

Figures in Rand	Note(s)	2016	2015
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	2	392,006	300,766
<b>Total Assets</b>		<u>392,006</u>	<u>300,766</u>
<b>Funds and Liabilities</b>			
<b>Funds</b>			
Accumulated funds	3	381,506	288,511
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	4	10,500	12,255
<b>Total Funds and Liabilities</b>		<u>392,006</u>	<u>300,766</u>

The South African Securitisation Forum  
Annual Financial Statements for the year ended 29 February 2016

Statement of Comprehensive Income

Figures in Rand	Note(s)	2016	2015
Revenue	5	392,500	375,000
Operating expenses		(320,427)	(379,109)
<b>Operating profit</b>		<b>72,073</b>	<b>(4,109)</b>
Investment revenue	6	20,922	17,012
<b>Profit before taxation</b>		<b>92,995</b>	<b>12,903</b>
Taxation	7	-	-
<b>Profit for the year</b>		<b>92,995</b>	<b>12,903</b>

The South African Securitisation Forum  
Annual Financial Statements for the year ended 29 February 2016

Statement of Cash Flows

Figures in Rand	Note(s)	2016	2015
<b>Cash flows from operating activities</b>			
Cash generated / (used in) from operations	8	70,318	(19,305)
Interest income		20,922	17,012
<b>Net cash from operating activities</b>		<b>91,240</b>	<b>(2,293)</b>
<b>Net cash movement for the year</b>		<b>91,240</b>	<b>(2,293)</b>
Cash and cash equivalents at the beginning of the year		300,766	303,059
<b>Cash and cash equivalents at the end of the year</b>	2	<b>392,006</b>	<b>300,766</b>

# The South African Securitisation Forum

## Annual Financial Statements for the year ended 29 February 2016

### Accounting Policies

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#### 1. Presentation of Annual Financial Statements

The annual financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

##### 1.1 Significant judgements

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates.

##### 1.2 Financial instruments

###### Accounts receivables

Accounts receivable are items that the Forum has issued invoices for, but not received payment for, as at the reporting date. They are stated at their estimated realisable value, which means that the amount stated is the figure the Forum realistically expects to receive.

###### Accounts payable

Accounts payable are items where the goods and services have been received by the Forum, but as at the reporting date have not yet been paid. They are stated at the amount of cash required to settle those liabilities.

###### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially recorded at fair value and subsequently at amortised cost.

##### 1.3 Revenue

Membership fees are recognised on the accrual basis in accordance with the substance of the relevant membership agreements.

The South African Securitisation Forum  
Annual Financial Statements for the year ended 29 February 2016

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
<b>2. Cash and cash equivalents</b>		
Cash and cash equivalents consist of:		
Bank balances	392,006	300,766
<b>3. Accumulated funds</b>		
Opening balance	288,511	275,608
Profit for the year	92,995	12,903
	<b>381,506</b>	<b>288,511</b>
<b>4. Accounts payable</b>		
Trade payables	10,500	12,255
<b>5. Revenue</b>		
Membership fees - current year	392,500	375,000
<b>6. Investment revenue</b>		
Interest received		
Bank	20,922	17,012
<b>7. Taxation</b>		
The Forum is registered as a Public Benefit Organisation. Its receipts and accruals derived from trading activities fall within the prescribed parameters as contained in Section 10(1)(d)(iv)(bb) of the Income Tax Act of South Africa. Accordingly, no provision for taxation has been made as all receipts and accruals are exempt from taxation.		
<b>8. Cash generated / (used in) from operations</b>		
Profit before taxation	92,995	12,903
<b>Adjustments for:</b>		
Interest received	(20,922)	(17,012)
<b>Changes in working capital:</b>		
Accounts payable	(1,755)	(15,196)
	<b>70,318</b>	<b>(19,305)</b>

The South African Securitisation Forum  
Annual Financial Statements for the year ended 29 February 2016

Notes to the Annual Financial Statements

Figures in Rand	2016	2015
9. Auditors' remuneration		
Audit fees	11,970	12,255
Overprovision - prior year	(1,755)	-
	<u>10,215</u>	<u>12,255</u>



The South African Securitisation Forum  
Annual Financial Statements for the year ended 29 February 2016

Detailed Income Statement

Figures in Rand	Note(s)	2016	2015
<b>Revenue</b>			
Membership fees	5	392,500	375,000
<b>Other income</b>			
Interest received	6	20,922	17,012
<b>Operating expenses</b>			
Auditors' remuneration	9	10,215	12,255
Bank charges		1,879	1,813
Consulting fees paid		236,600	220,780
Legal expenses		-	71,963
Sundry office costs		18,146	19,794
Travel - local		12,932	14,008
Website running costs		40,655	38,496
		<b>320,427</b>	<b>379,109</b>
<b>Profit before taxation</b>		<b>92,995</b>	<b>12,903</b>
Taxation	7	-	-
<b>Profit for the year</b>		<b>92,995</b>	<b>12,903</b>

# **APPROVAL OF 2016/2017 MEMBERSHIP FEES**

## **FEEDBACK FROM THE SUB-COMMITTEES**

## **LEGAL & REGULATORY**

## **Annual Report of the Legal & Regulatory Sub-Committee of the South African Securitisation Forum for the 2015/2016 year**

Members of the Executive Committee of the South African Securitisation Forum (the “Forum”), Chairpersons of the various sub-committees of the Forum, Colleagues, Ladies and Gentlemen.

### **1. Introduction**

I am presenting this report to you in my capacity as Chairperson of the Legal and Regulatory Sub-Committee (“sub-committee”). I would also like to extend my appreciation to all the members of the sub-committee for their input and time during the past term, which was a busy one on the legal and regulatory front. 4 (four) formal sub-committee meetings were held during the term, namely in August and October 2015 and in February and May 2016. All the meetings were well attended.

### **2. Overview of the sub-committee’s 2015/16 activities**

#### **2.1 BASA/National Treasury initiatives**

A National Treasury task group is currently working on an initiative to enhance the securitisation regulatory landscape in South Africa. The task group consists of representatives of the Banks, National Treasury, SASF, SARB and ASISA. SASF is making a significant contribution to the workings of this task group.

##### **2.1.1 Securitisation Regulations**

The sub-committee prepared a submission in 2008 setting out deficiencies in the Securitisation Exemption Notice. The submission was never submitted to the SARB. The 2008 submission was revisited with a view to review provisions that are still problematic currently in the market. The 2 items that require amendment/clarification are the provisions dealing with significant risk transfer and whether non-banks can repurchase previously transferred assets.

The sub-committee proposal was presented to the National Treasury task group and was incorporated into a submission presented to SARB in December 2015. The task group also made a proposal to establish a

framework for so-called funding only securitisations where there is no risk transfer required. SARB has indicated that they are open to consider these proposals and has requested the task group to propose specific amendment to the Securitisation Regulations for their consideration. The task group has established a sub-working group who is currently working on these proposals.

#### 2.1.2 Simple, Transparent and Comparable Securitisations (STC)

A topic that is still high on the securitisation regulatory agenda globally is the establishment of regulatory frameworks to provide for STC securitisations. STC criteria are designed to mitigate securitisation risks, including uncertainty related to asset risk, structural risk, governance and operational risk. Transactions that comply with these criteria should therefore have lower structural and model risk. The Basel Committee is also proposing preferential capital treatment for securitisations that comply with STC criteria.

The National Treasury task group is currently considering how best to create STC criteria for South Africa and what would be the best conduit to enforce/regulate/determine STC criteria.

#### 2.2 **FACTA**

The Foreign Account Tax Compliance Act (FATCA) is a United States law to enforce the requirement for US citizens including those living outside the US to file yearly reports on their non-U.S. financial accounts to the US government. It requires all non-U.S. (foreign) financial institutions to search their records for indicia indicating U.S. person-status and to report the assets and identities of such persons to the U.S. Department of the Treasury.

There currently exist uncertainty as to whether FACTA applied to securitisation issuer SPV's as well. It was agreed that a legal opinion be obtained to clarify the applicability of this piece of legislation. Werksmans are currently drafting an opinion for the Forum.

#### 3. **Outlook and Conclusion**

In conclusion, 2015/16 will continue to be a busy year on the legal and regulatory front.

A lot more work and time is still needed to fully restore market confidence in securitisation as a genuine and legitimate funding product.

I thank you all in anticipation for your contribution thereto.

**Hendrik Ackermann**  
**Chairperson**  
**May 2016**

# COMMUNICATION AND EDUCATION

## REPORT OF THE COMMUNICATION AND EDUCATION SUB-COMMITTEE OF THE SOUTH AFRICAN SECURITISATION FORUM FOR THE 2015/2016 YEAR

Members: Jana Kershaw  
Brendan Harmse  
Hendrik Ackerman

### EDUCATION

#### UCT Securitisation Course

The joint initiative between the Forum and the University of Cape Town to run a course in securitisation is still in place. The annual UCT Securitisation course was held in Cape Town on the 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> of August 2015 with 13 registered delegates.

The Communication and Education Subcommittee is currently reviewing the format of the course, to broaden the scope of the discussion material to potentially include aspects of origination, credit ratings, risk and other investor considerations. This will bolster the detailed legal, structural and accounting content and we are currently engaging with securitisation professionals working in industry to contribute to content and presentation. The course will either be held late in 2016, or will continue again from 2017.

The 2015 course brochure has been included for reference.

#### IMN Capital Markets Conference

The 13<sup>th</sup> Annual African Capital Markets Conference - endorsed by the SASF - was held on the 26<sup>th</sup> and 27<sup>th</sup> of November 2015 in Cape Town at the CTICC. The 2015 programme continued to focus on the South African capital markets, but also emerging markets in Sub-Saharan Africa.

There were no securitisation specific panels at the 2014 conference but after lobbying with the conference facilitators and sponsors, there was a dedicated securitisation panel discussion at the 2015 Conference. The panel was moderated by David Towers, was well represented by Exco members and well attended.

The SASF also endorsed the conference with SASF members receiving a 10% discount.



## STANDARDISED REPORTING:

The Forum has, as part of its objective to increase investor appetite for securitisations, continued to drive Standardised post-issuance reporting of securitisation transactions in order to further improve transparency and comparability of transactions. As part of such process, the Communication and Education sub-committee finalised the Standardised Investor Reporting Template for RMBS transactions during 2015, which has been distributed to industry members.

## COMMUNICATION:

The main instrument for communication between the Forum and its stakeholders continues to be our website. The site presently contains all relevant details of the Forum and its members. It also contains news, publications, investor reporting, information on education, our constitution, links to other international securitisation forums, as well as basic information on securitisations and its history in South Africa. Our aim is to load all available investor reports on the website shortly after they are released. The majority of the JSE listed transactions reports are listed on the website. On average we have had 421 visits to the site and 2,234 pages loaded per month over the last year (up from 400 and 2,037 during 2014/15).

Copies of all reports tabled at the AGM of the Forum will also be posted on the site immediately after the AGM.

Jana Kershaw – May 2016

## **SASF: Investor reports on the website as of 9 May 2016**

Please see below a list of all the latest Investor Reports currently displayed on the SASF website, together with the date of the latest issue available.

### ***Residential Mortgage-Backed Securitisations***

Blue Granite (Pty) Ltd - Standard Bank

BG 1: February 2016

BG 2: April 2016

BG 3: May 2016

BG 4: March 2016

Fox Street 1 (RF) Ltd – Investec

March 2016

Fox Street 2

February 2016

Fox Street 3 (RF) Ltd – Investec

February 2016

Greenhouse Funding (Pty) Ltd - Series 1 - Nedbank

March 2016

Greenhouse III – Nedbank

January 2016

Nqaba Finance 1 - Eskom Finance Company (EFC)

February 2016

Thekwini Funds- SA Homeloans

Thek 9: January 2016

Thek 10: January 2016

Thek 11: January 2016

Thek 12: February 2016

Thek 13: February 2016

### ***Commercial Mortgage-Backed Securitisation***

Precinct Funding 1 (RF) Limited - Nedbank Capital

March 2016

### ***Asset-Backed Securitisations***

Fintech Receivables 2 – Nedbank Capital

March 2016

SA Securitisation Programme (previously Equipment Rentals Securitisation) - Sasfin

Bank

Series 1

March 2016

Series 2  
March 2016

***Asset-Backed Securitisations - Autos***

Nitro Securitisation 5 (Pty) Ltd – Wesbank  
March 2016

SuperDrive Investments (Pty) Ltd - BMW FS securitisation - Standard Bank  
February 2016

Torque Securitisation (RF) Limited – RMB  
February 2016

Transsec (RF) Limited  
February 2016

Transsec 2 (RF) Limited  
February 2016

***ABCP Conduits***

Blue Titanium (Pty) Ltd - Standard Bank  
April 2016

Indwa Investments (Pty) Ltd - Firststrand Bank  
April 2016

Inkotha Investments (Pty) Ltd - Firststrand Bank  
April 2016

Ivusi Investments (Pty) Ltd - Firststrand Bank  
April 2016

Synthesis Funding (Pty) Ltd - Nedbank  
March 2016

Thekwini Warehousing Conduit - SA Homeloans  
March 2016

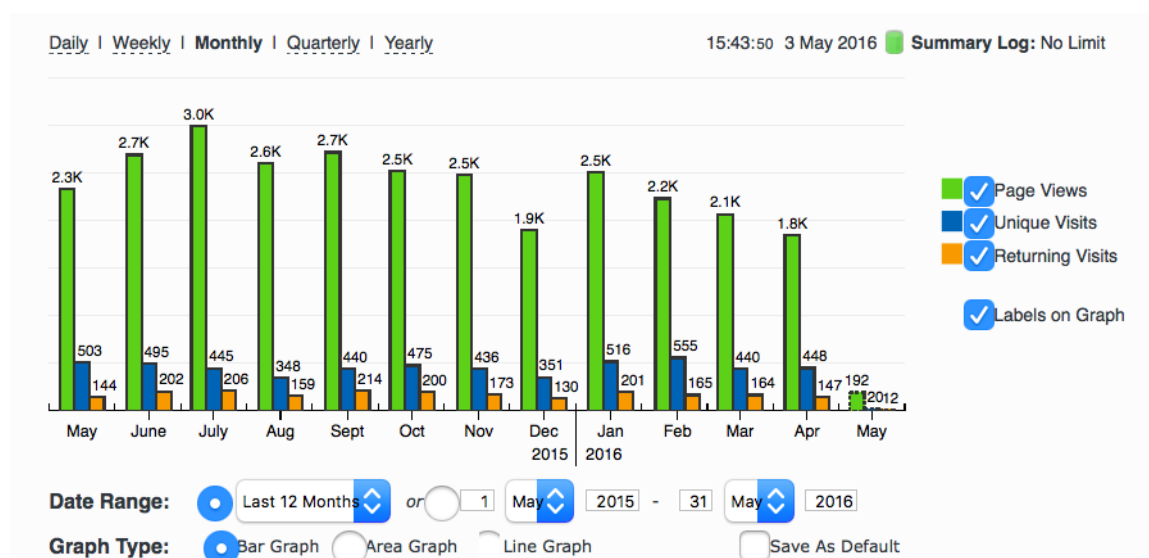
***Synthetic Securitisations***

***Micro-Lending Receivables***

Nyati Securitisation 1 (RF) Ltd  
August 2015

***[http://www.investec.co.za/products-and-services/financing-and-lending/corporate\\_lending/specialised-finance/debt-capital-market.html](http://www.investec.co.za/products-and-services/financing-and-lending/corporate_lending/specialised-finance/debt-capital-market.html)***

## SASF website usage up to 3 May 2016.



	Page Views	Unique Visits	First Time Visits	Returning
Total	29,037	5,472	3,355	2,117
Monthly Average	2,234	421	259	163

	Page Views	Unique Visits	First Time Visits	Returning
May 2016	192	20	8	12
Apr 2016	1,840	448	301	147
Mar 2016	2,065	440	276	164
Feb 2016	2,228	555	390	165
Jan 2016	2,503	516	315	201
Dec 2015	1,894	351	221	130
Nov 2015	2,475	436	263	173
Oct 2015	2,519	475	275	200
Sept 2015	2,714	440	226	214
Aug 2015	2,598	348	189	159
July 2015	2,993	445	239	206
June 2015	2,688	495	293	202
May 2015	2,328	503	359	144

*Returning Visits* - Based purely on a cookie, if this person is returning to your website for another visit an hour or more later

*First Time Visits* - Based purely on a cookie, if this person has no cookie then this is considered their first time at your website.

*Unique Visitor* - Based purely on a cookie, this is the total of the returning visits and first time visits - all your visitors.

*Page Load* - The number of times your page has been visited.

# Standardised Investor Reporting – Securitisation

Date	xxxxx
------	-------

## Transaction Name

Contact Person	xxxxx
E-mail	xxx@xx

### Notes Outstanding:

JSE Stock Code	Original Rating	Current Rating	Original issued amount	Current balance	Amount repaid in current period	Issue Date	Expected maturity date	Call date	Legal final maturity	Credit enhancement %	Issue Margin
A1											
A2											
A3											
A4											
A5											
B1											
C1											
Subloan											
000000000000											

### Credit enhancement available (excluding subordination of notes as listed above):

Adapt as appropriate:

	Current Value	Further detail / explanation
Excess Spread		
Subordinated loan		
Reserve Funds		

**Pool Characteristics:**

	At Inception	Quarter (15 months prior)	Quarter (12 months prior)	Quarter (9 months prior)	Quarter (6 months prior)	Quarter (3 months prior)	Quarter (most recent)	Optional Notes
Reporting date								
Balance Notes Outstanding								
Balance Loans Outstanding								
Weighted average original LTV								
Weighted average current LTV								
Weighted average index LTV- Current property market valuation (closest estimation)								
Number of loans								
Average Balance								
Highest single borrower balance								
Seasoning								
Interest Margin								
Excess Spread								
PTI Ratio								
CPR*								
TRR#								
Non owner occupied								
Self employed borrowers								
* Constant Prepayment Rate (CPR) calculation (Moody's) = $1 - (1 - \text{Current Period Unscheduled Principal Payments divided by (Current Period Outstanding Pool Balance plus Unscheduled Principal Payments)})^{\text{[reporting frequency]}}$ where reporting frequency equals (monthly = 12, quarterly = 4, semi-annual = 2, annual = 1).								
# Total Redemption Rate (TRR) calculation (Moody's) = $1 - (1 - \text{Current Period Total Principal Payments divided by (Current Period Outstanding Pool Balance plus Total Principal Payments)})^{\text{[reporting frequency]}}$ where reporting frequency equals (monthly = 12, quarterly = 4, semi-annual = 2, annual = 1).								

**Arrear Buckets:**

	Balance of Loans	% of Total Balance of Loans
<= 1 month in Arrears		0%
1-2 months in Arrears		0%
2-3 months in Arrears		0%
3 - 6 months in Arrears		0%
> 6 months in Arrears		0%
Litigations		0%
Debt Review		0%
Third party attachments		0%
Properties sold		0%
TOTAL	0	0%

**Asset Reconciliation:**

	Since Inception	Last Quarter
Balance home loans at the beginning		
Replacement assets purchased		
Advances (Redraws, Re-advances, Further Advances)		
Contractual principal repayments		
Prepayments (including settlements)		
Write-offs		
Recoveries		
Balance home loans at the end		

**Trigger levels:**

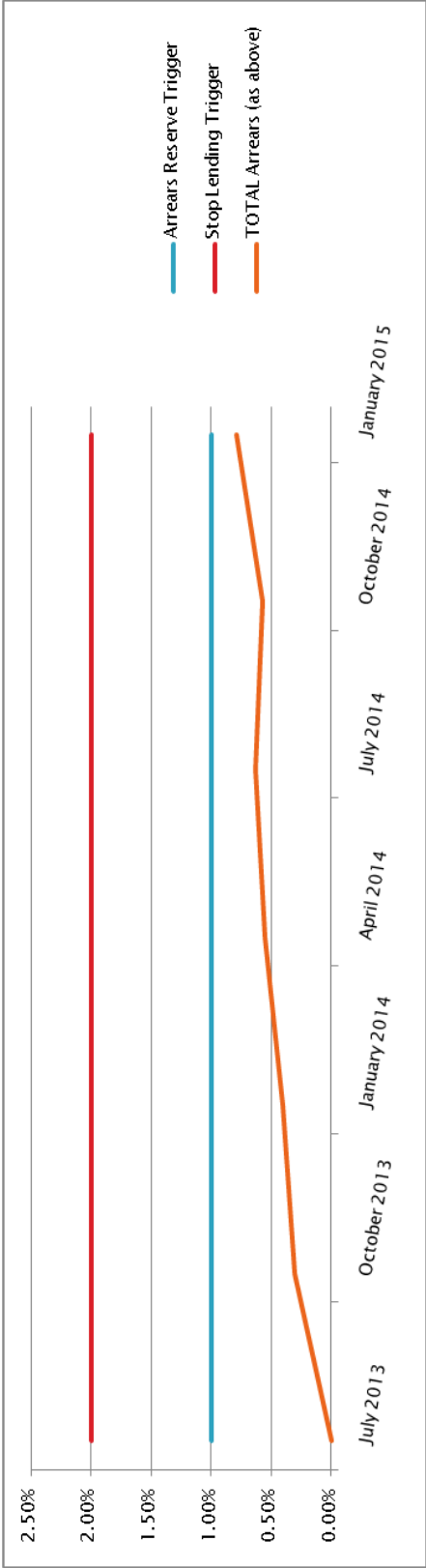
Any triggers breached?

Yes / No
----------

If yes, list triggers and provide details:

--

<i>Adapt as appropriate:</i>								
	At Inception	Quarter (15 months prior)	Quarter (12 months prior)	Quarter (9 months prior)	Quarter (6 months prior)	Quarter (3 months prior)	Quarter (most recent)	
Reporting date	Jul-13	Oct-13	Jan-14	Apr-14	Jul-14	Oct-14	Jan-15	
Arrears Reserve Trigger	1%	1%	1%	1%	1%	1%	1%	
Stop Lending Trigger	2%	2%	2%	2%	2%	2%	2%	
TOTAL Arrears (as above)	0.00%	0.30%	0.40%	0.55%	0.63%	0.57%	0.79%	
Principal deficiency? (Liab greater than assets?)								
Repurchases of NPL's – value								
Describe Arrears Trigger calculation method:								





## SECURITISATION

4, 5 and 6 August 2015



UCT Law @ work  
Professional Development Project

**The Professional Development Project of the Faculty of Law, UCT, is pleased to present a three-day course in securitisation.**

### ABOUT THE COURSE

Securitisation is a process by which illiquid assets such as cash flows and connected contract rights are pooled and repackaged into marketable instruments representing claims against the asset pool. These securities are then sold to third-party investors. Securitisation can be a cheaper and more flexible source of long-term financing than bank finance, particularly for companies below investment grade.

**This course is an introductory course intended to provide a foundation on the subject for anyone who wishes to become involved in securitisation, or who has come across it in the course of their job and requires more detail.**

### WHO WILL BENEFIT FROM THIS COURSE?

- Lawyers/advocates, including in-house counsel in financial institutions
- Bankers, financiers and persons involved in the extension of credit
- Mortgage originators
- Anyone who has a special interest in banking, financial markets and securitisation
- Anyone tasked with the implementation of securitisation





### COURSE OUTLINE

**This course will cover, in brief, the following pertinent issues regarding securitisation:**

- The economic rationale for securitisation and development of the securitisation market
- Who the key players in the securitisation market are
- Securitisable assets and selection of receivables
- The legal and regulatory framework
- Basel II and III
- ABS/true sale/insolvency
- Ratings
- Liquidity support, credit enhancement and profit extraction
- Raising of funds and factors influencing secondary market liquidation
- Investor protection and the role of trustees
- Servicing and administration agreement
- Risks
- Taxation issues
- Advanced transaction structures such as whole business securitisation, future flows, synthetics and CDOs
- Accounting issues
- The new Securitisation Regulations
- The application of the new Companies Act to ring fenced vehicles (SPVs)

On the third day of the course, a case study will take participants through the creation of a complicated securitisation structure step by step.

### COURSE PRESENTERS

**The course will be presented by prominent members of the Securitisation Forum and experts in the field of finance and regulatory reform.**

This course is endorsed by the South African Securitisation Forum (SASF), a non-profit association that exists to promote the development of securitisation in South Africa through education of the public, investors, originators and others with an interest or potential interest in the benefits of securitisation, both in South Africa and overseas.

For more information go to [www.sasf.co.za](http://www.sasf.co.za)



## REGISTRATION DETAILS

- Programme and venue information:** Signing in will commence at 9:00 on the first day unless otherwise advised. Each day will end at approximately 17:00. Instructions regarding the programme and directions to the venue will be sent to you electronically a week prior to the event.
- Award of certificate:** A certificate of attendance from UCT will be awarded to those who attend the full three days. Please ensure that you sign the attendance register each day.
- Course fee:** R7,500 per delegate. The fee includes parking, teas, lunches and any course materials.
- Closing date for registration:** One week prior to the course.
- Registration and enquiries:** Please contact the Professional Development Project:  
Paula Allen on 021 650 5558  
Andrea Blaauw on 021 650 5413  
**Fax:** 021 650 5513  
**Email:** paula.allen@uct.ac.za / andrea.blaauw@uct.ac.za / irena.wasserfall@uct.ac.za  
**OR visit our website:** www.lawatwork.uct.ac.za to download the registration form.

### Physical address

**Professional Development Project**  
**Rm 3.20 Kramer Law Building**  
**Middle Campus, UCT**  
**Rondebosch, 7700**

### Postal address

**Professional Development Project**  
**Kramer Law Building, UCT**  
**Private Bag X3,**  
**Rondebosch, 7701**



# **TAX AND ACCOUNTING**

Annual Report of the Tax & Accounting Sub-Committee -South African Securitisation Forum for the 2015/2016 year

The Tax and Accounting Sub-Committee had a fruitful year with fairly well attendance recorded at the meetings.

The committee focused on the following issues:

- Tax amendments and the impact on the securitisation industry:
  - The market experienced some uncertainty in respect of FATCA;
  - It was agreed that it was the responsibility of the custodian to comply with FATCA;
  - SASF had agreed to obtain a legal opinion in respect of FATCA;
  - CRS is also going to be effective soon. This relates to all other countries apart from the USA. It will be very similar to that of FATCA; and
  - SASF will also try to obtain a legal opinion in respect of CRS so that it is better managed.
- IFRS amendments and the impact on the securitisation industry:
  - There was specific focus on IFRS 9 and the implications for the securitisation industry;
  - It was noted that this will be effective on 01 January 2018 and will be a retrospective change; and
  - The Banks are still in the process of modelling the standard.
- Companies Act:
  - Detailed discussions were held in respect of directors' remuneration disclosure in the AFS in relation to compliance with Companies Act;
  - Directors were uncomfortable with disclosing their salaries in the AFS as there was no paper trail; and
  - It was agreed that these entities are legally independent and not a subsidiary of a group of companies. Therefore it was not necessary to disclose directors' remuneration.

Rishendrie Thanthony  
Chairperson

## **MEMBERSHIP**

## ANNUAL REPORT OF THE MEMBERSHIP SUB-COMMITTEE FOR 2016

SASF Membership has increased to 29.

The Executive Committee agreed to maintain the annual membership fees at R15,000 per member. As actual members are higher than budgeted, the fees received for 2015/2016 totalled R392 500.

### New Members joined over the past financial year:

- Allen & Overy LLP
- Bayport Securitisation (RF) Limited
- Bowman Gilfillan
- Cliffe Dekker Hofmeyr Inc
- Quadridge Trust Services (Pty) Limited
- Hogan Lovells (South Africa)

### Change in name of membership

- Transaction Capital's membership was transferred to SA Taxi Development Finance (Pty) Limited
- Fintech's membership was transferred to Sasfin Bank Limited

### Outreach

- Outreach to Sanlam ongoing. They have indicated interest and received the application forms.
- OMIGSA – Due to internal restructuring there was no active participation over the year. Membership was suspended and OMIGSA to advise the Forum whether they would rejoin in the 2016/2017 membership year.

<b>SA Securitisation Forum Members</b>
ABSA Capital
Allen & Overy LLP
Ashburton Investments
Bayport Securitisation (RF) Limited
BMW Financial Services (SA)(Pty)Ltd
Bowman Gilfillan
Cliffe Dekker Hofmeyr Inc
Deloitte & Touche
ENS
Hogan Lovells (South Africa)
Investec Asset Management SA
Investec Bank Limited
KPMG Inc
Maitland Group South Africa Limited
Nedbank Capital
Norton Rose Fulbright South Africa
PricewaterhouseCoopers
Quadridge Trust Services (Pty) Ltd
Quince Capital
Rand Merchant Bank
Real People Investment Holdings
SA Home Loans (Pty) Limited
SA Taxi Development Finance (Pty)Limited
Sasfin Bank Limited
Standard Bank of South Africa Limited
STANLIB
TMF Corporate Services(South Africa)(Pty)Ltd
Webber Wentzel
Werksmans Inc

Nick Gunning  
May 2016

# **ELECTION OF OFFICE BEARERS FOR 2016/2017**



# GENERAL

## Constitution

### THE SOUTH AFRICAN SECURITISATION FORUM CONSTITUTION

#### 1. Objects

- 1.1 **Objects.** The objects of the South African Securitisation Forum ("SASF") are: To promote the development of securitisation in South Africa through education of government, regulatory and other authorities, the public, investors, originators and others with an interest or potential interest, both in South Africa and overseas, in the benefits of securitisation to South Africa and aspects of the South African securitisation industry.
- 1.2 **Co-ordinate 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 in order 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) 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 by reason of membership; and
  - (iv) the SASF is responsible for payments of its own 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 into 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 to draw, make, accept, endorse, discount, execute and issue negotiable or transferable instruments or any kind;
- (v) borrow money;
- (vi) apply for and to 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 on a regular basis 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. If the Chairperson decides it is impractical to meet in person, meetings may be conducted telephonically or by the circulation of written materials.
  - 5.3 **Number of members.** The Executive Committee will consist of up to 18 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.** Each Executive Committee member's term will be 2 years, except for the initial Executive Committee members, whose term will be a period of 2 or 3 years in order that approximately one half of the Executive Committee membership will rotate each year (other than after the first year) except that:
- (i) the terms of the Executive Committee members elected as Officers (being Chairperson, Deputy Chairperson, Secretary, Treasurer, or other Executive Officer) must automatically be extended to coincide with their terms in such office;
  - (ii) the terms of the Executive Committee members may be extended by the Executive Committee as the Executive Committee shall deem appropriate; and
  - (iii) 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 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 founding members of the SASF 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	3
Commercial Banks	5
Trustees	2
Law firms	2

Member category	Maximum number of Executive Committee members
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 not be required to resign his/her appointment on the termination of that member's employment or directorship 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 telephone, 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,

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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 set forth in Clause 1. Together, they will have all of 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.

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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 2 years, 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 sub-committees 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 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 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 telephone) 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 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 with regard to 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 head.** The head of each Committee will have a term of 1 year with a consecutive 3-year maximum, 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 will be:
- (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; and
- 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.** If mailed, all notices, ballots or other material to be provided to members, officers or committee members of the SASF shall be deemed delivered when deposited with the South African Post Office or any courier service for certified delivery. Any notice delivered by facsimile shall be deemed delivered upon successful transmission of such facsimile. Any notice delivered by electronic message 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 **Application for membership.** 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 **Executive Committee must approve application for membership.** The Secretary must refer an application for membership of 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 of 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 replaced its then nominated representative by notification to the Secretary.
- 13.5 **Membership entitlements not transferable.** A right, privilege or obligation which a business organisation has by reason 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 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 vary according to organization size and scope of operations in the South African securitisation market. Anticipated membership levels are attached as Schedule 1. The Membership Committee may vary dues and levels from time to time, subject to approval by the Executive Committee.
- 13.9 **Appropriate membership level.** The Membership Committee may determine the appropriate membership level for an applicant, provided that such determinations shall be consistently applied in respect of all applicants.
- 13.10 **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 it shall have paid the required amount of membership dues by March 31 of that year.
- 13.11 **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. For instance, if a new larger financial intermediary were to join as of August, then they would owe membership dues for 5 out of 12 months at the R30K level (i.e. R12.5K). Pro-rata dues are payable after the end of June for the remainder of the year. This policy applies to new SASF members only.

13.12 **Yearly membership.** Members' financial commitment to the SASF will be on a yearly basis.

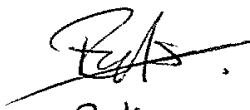
13.13 **Fiscal year.** The fiscal year of the SASF shall be from March 1 to February 28 each year and annual financial statements, prepared in terms of generally accepted account practice, shall be prepared as this date. These accounts shall be subject to annual examination by an independent firm of 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 that has a similar non-profit goal to that of the SASF, after all obligations of the SASF have been met.

APPROVED AT AN ANNUAL GENERAL MEETING OF MEMBERS  
DATED: 22 SEPTEMBER 2005

  
R. KEZSO  
TREASURER

## SCHEDULE I

### SASF Membership Categories and Dues

As of February 2009

Type	Level	Due
Larger Rating Agencies (First year free)	I	R15 000
Financial Guarantors	I	R30 000
Larger Accounting Firms	I	R30 000
Larger Banks and/or other Financial Intermediaries	I	R30 000
Larger Law Firms	I	R30 000
Larger Issuers/Originators	I	R30 000
Larger Investors (First year free)	I	R15 000
Trustees	II	R15 000
Medium Banks and/or other Financial Intermediaries	II	R15 000
Medium Law Firms	II	R15 000
Medium Issuers/Originators	II	R15 000
Servicer Companies	II	R15 000
Smaller Rating Agencies (First year free)	II	R15 000
Medium Investors (First year free)	II	R15 000
Smaller Banks and/or other Financial Intermediaries	III	R10 000
Smaller Accounting Firms	III	R10 000
Smaller Investors (First year free)	III	R15 000
Mortgage Insurers	IV	R7 500
Smaller Issuers	IV	R7 500
Smaller Law Firms	IV	R7 500
Other Financial Entities	IV	R7 500
Suppliers	IV	R7 500

**SOUTH AFRICAN SECURITISATION FORUM**

**NINTH ANNUAL GENERAL MEETING TO BE HELD ON THURSDAY 19 MAY 2016**  
**AT 11H30**  
**AT THE JOHANNESBURG COUNTRY CLUB, WOODMEAD, JOHANNESBURG.**  
**CORNER LINCOLN ROAD & WOODLANDS DRIVE, WOODMEAD, SANDTON**

**THE HEDGEHOG ROOM – Function ID 023110**

**AGENDA**

**11h15     Tea and coffee will be available**

**11h30**

- 1. Welcome and Apologies**
- 2. Adopt agenda**
- 3. Approval of the Minutes of the Annual General Meeting held on 21 May 2015**
- 4. Presentation and adoption of Chairman's Annual Report for 2016**
- 5. Presentation and adoption of Financial Report for 2016**
- 6. Budget for 2017**
- 7. Membership Fees – 1 March 2016 to 28 February 2017**
- 8. Reports from sub-committees**
  - 8.1 Legal & Regulatory**
    - Hendrik Ackermann
  - 8.2 Communication & Education/Investors**
    - Jana Kershaw
  - 8.3 Tax & Accounting**
    - Rishendrie Thanthony
  - 8.4 Membership**
    - Nicholas Gunning
- 9. Election of Office Bearers for 2016/2017**
- 10. General**

The meeting will be followed by a finger lunch