

The Eighth Annual General Meeting of:

CFA South Africa

Thursday 22 MARCH at 17:30

Johannesburg: Investec Building, Grayston Drive

Cape Town: Investec Building, 36 Hans Strydom Ave, Foreshore

PRESENT

Johannesburg:

Philip Knibbs (President and Board Member)

Arthur Thompson (Board member)

Namir Waisberg (Board Member)

Philip Bradford (Board Member)

Ann Marie Wood (Executive Officer)

Anne Cabot-Alletzhauser

Troy Du Plessis

Thando Dumas

Andries Kotzee

Martin Potgieter

Peter van Ryneveld

Sibusiso Sibiyi

Cape Town (Video Conference):

Nigel Suliaman (Board Member)

Andrew Canter (Board Member)

J D Le Roux

Martin Poole

WA Poggenpoel

Terence Berry

APOLOGIES

Marco Efstathiou (Board Member)

Heidi Raubenheimer

Nishaan Desai

WELCOME

Philip Knibbs (president): stated that it was his pleasure on behalf of the Board of CFA South Africa to welcome you today, in person in Johannesburg and in Cape Town by Video Conference. In particular, we thank the Members of our Society who have taken the trouble to attend and a special thanks to those of you who have joined as volunteers
It is through the support of our sponsor Investec that we are able to enjoy this facility and we extend our thanks for this and the use of similar facilities during the year.

MINUTES OF THE PREVIOUS AGM

The Minutes of our previous meeting held last year have been circulated.

May I take these Minutes as a fair and true reflection of the proceedings of the 8th AGM

Proposed: Arthur Thompson

Seconded: Namir Waisberg

1. PRESIDENT'S REPORT PRESIDENT'S REPORT FOR 2012 AGM

Covering the financial year 1 September 2010 to 31 August 2011

Presented by **PHILIP KNIBBS, CFA**

WELCOME

It is my pleasure on behalf of the Board of CFA South Africa to welcome you today, in person in Johannesburg and in Cape Town by Video Conference. In particular, we thank the Members of our Society who have taken the trouble to attend and a special thanks to those of you who have joined as volunteers.

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PRESIDENT'S REPORT

CFA South Africa was officially accepted as an affiliated country Society in November 2001. Our current membership is in the region of 1 000 and the typical Candidate body is about 3 500 spread over the three Exam Levels in June and December.

CFA South Africa is affiliated to CFA Institute, Charlottesville, Virginia USA and furthers the objectives of CFA Institute in the region. The only other African societies are Egypt, Mauritius and South Africa. Kenya and Nigeria are attempting to get a society started to serve their respective regions.

Although an independent body, we represent CFA Institute in South Africa and thus what strive to achieve is naturally similar, but with a local flavour, adapted to local conditions and based on what is most relevant to South African members. Our Mission, Vision and Values are listed below:

Mission

- To represent CFA Institute in South Africa and specifically to lead the investment profession in South Africa by setting the highest standards of ethics, education and professional excellence.
- To build the “CFA[®] Brand” in South Africa among our constituency (Members and Candidates, investors – institutions and private, regulatory environment).
- To deliver to our Members, potential Members and the institutions they represent educational and networking opportunities that will additionally support the above statements.

Vision

To foster a CFA South Africa Society that:

- All serious investment professionals aspire to be a part of;
- That is top-of-mind for investment professionals seeking credentials and continuing education;
- Leads the local industry's thinking in the area of ethics, integrity, and excellence of practice.

Values

- We conduct all our activities on an ethical basis

- We support the activities and principles of the CFA Institute and apply these as appropriate in South Africa
- Our overriding objective is to support, encourage and bring educational opportunities to current and future CFA Charterholders in South Africa
- Be representative of constituents (i.e. gender, cultural diversity, etc)
- We endeavour to treat all Members and Candidates equally irrespective of geographic location.

Funding model

The Chartered Financial Analysts Society of South Africa (CFA South Africa) is a registered Section 21 not-for-profit company. Financial profitability is not a key objective of the society but the directors have a responsibility to ensure the company is financially sound. We undertake an extensive budgeting exercise annually in an effort to ensure that society member dues are reasonable and offer value for money. The current society membership fee is \$35 a year which compares favourably to many societies of a similar size. As an indication of this, these society dues are levied in the following societies:

Egypt	\$60
United Kingdom	\$160
Switzerland	\$75
Denmark	\$295

Events and Activities

Our fiscal year coincides with that of CFA Institute and runs from September to August. During the 2011 financial year we had a busy year and the following is a list of activities that we organized for the benefit of Members, Candidates and interested parties. Virtually all of our activities have a bias towards education and often emphasise appropriate Ethics and Standards of Practice. CFA South Africa does not charge members for these activities.

Event	Johannesburg	Cape Town	Pretoria
Live Presentations	3	2	
Webcasts	3	5	
Level III Candidate lunches	1	1	
CFA Program Introduction Presentations	3	3	1
Candidate Post-Exam Drinks	2		

Global IRC	2		
Ethics Workshop	1	1	
CFA South Africa Conference (2 days)	2		
Representing CFA South Africa at CFA Institute Events:			
Society Leadership Conferences	Edinburgh and Los Angeles		
Annual Conference	Edinburgh		
EMEA Regional Meeting	Cyprus		

Continuing Education (CE)

The events that we organise provide our members with opportunities to earn Continuing Education Credits. The CFA Institute Continuing Education program is not mandatory, preferring attraction and enhanced member value rather than forced participation. Annual completion of the program requires at least 20 Credits (hours) of which at least two are designated SER, an acronym for Standards, Ethics and Regulation.

University Partnership Program

In 2006 CFA Institute started the CFA Program Partner initiative and reached out to prominent universities worldwide. The essence of the Program is to allow harmonisation of the CFA Program Candidate Body of Knowledge syllabus with that of the investment courses that Universities offer. This mutual recognition adds value for both parties and should build a stronger and more ethical investment-professional community in the future. It bears mention that the sole path to becoming a CFA Charterholder is to pass the exams for each level and obtain the appropriate work experience.

We have 3 program partners in South Africa: Stellenbosch University, the University of Cape Town and the University of Pretoria.

Global Investment Research Challenge (Global IRC)

The Global IRC is a global program that involves University students in the analysis of a Company's results, report writing and the presentation thereof. This activity's cycle is spread over 2 financial years. Last year (2011/12) the management of Bidvest kindly agreed to be the listed company analysed. We express our appreciation to the Executives of Bidvest and the volunteers that participated in this event. The winners in 2010/11 were a team from the University of Pretoria and they recently competed in the Regional Final in London.

Our Constituency and Affiliations

Since inception in November 2001, CFA South Africa has been closely associated with the Investment Analysts Society of Southern Africa (IASSA). While the two Societies are institutionally independent, we often work harmoniously to the mutual benefit of our separate but overlapping constituencies and also that of the investment community at large.

We have also established relationships with bodies such as the Faculties of Actuaries and the South African Institute of Chartered Accountants (SAICA). When appropriate we invite the members of these organisations to our events, believing that a more inclusive model will serve our constituency better.

Recently CFA South Africa has facilitated discussions between The Association for Savings and Investment South Africa (ASISA) and CFA Institute in advancing the advocacy initiatives of both organisations in a collaborative manner. These discussions are on-going.

Challenges

While we believe we continue to deliver on the society's goals whilst maintaining financial discipline and managing scarce volunteer capacity, we recognise there are a couple of strategic priorities that are going to require enhanced focus in the next couple of years. These would include:

Board transformation and representation – ensuring we attract active volunteers and potential board members more representative of our country's demographics,

Member attendance – ensuring that a higher percentage of our society membership attends and benefit from the activities of the society,

Louder voice – ensuring the society becomes more vocal in the areas of ethics and advocacy,

Operational Sustainability – ensuring we have developed and implemented a framework for operational sustainability.

Proposed: Andrew Canter

Seconded: Martin Potgieter

2. FINANCIALS

The financial were made available. Some queries on the fees received from membership were discussed. It was agreed that numbers varied from time to time and also Currency played a part. The membership was not down on last year but slightly up.

Adoption of Financial Statements

Proposed: Philip Bradford

Seconded: Arthur Thompson

3. APPOINTMENT OF AUDITORS

Ransome Roussow has performed this task for the Society since our formation and the Board is happy with their performance and the cost thereof. Accordingly, it is proposed that we appoint the firm for the following year.

Proposed: Philip Bradford

Seconded: Peter van Ryneveld

4. ELECTION OF OFFICE BEARERS

To accept the resignation of T BERRY and E LOUW

To elect members of the Board in place of

P KNIBBS

N SULIAMAN

M EFTSTATHIOU

N WAISBERG

The above retire by rotation however are eligible and offer themselves for re-election.

The following were co-opted on to the board during 2011 and to be ratified at this meeting

P BRADFORD

The remaining board members are

A CANTER, A D THOMPSON

Proposed: Namir Waisberg

Seconded: Andries Kotzee

Appreciation

As your President, I would like to thank our Board members for their support, enthusiasm and skill over the past year. On behalf of the Board, I would like to extend a special thanks to Ann Marie Wood who is our Executive Officer.

I also extend our appreciation to our Sponsors, who provide us with valuable facility use and support. These include Investec, Futuregrowth and the JSE – without their support it would be much more difficult to conduct our affairs.

Our Society, in common with the other local CFA Societies, is powered by the dedication, sacrifices and skills of Volunteers, including the Board. We are glad to have the support of a number of Volunteers from within the ranks of our Members – thank you for your efforts.

Finally, our ultimate reason for existence providing our Members and the local investment community an ethical, honest and educational set of services – thank you for your support.

5. CHARTERED FINANCIAL ANALYSTS OF SOUTH AFRICA -NAME

The CFA name had been registered with CIPRO and approved CHARTERED FINANCIAL ANALYSTS OF SOUTH AFRICA although commonly known as CFA SOUTH AFRICA

6. GENERAL

- a) AC, as the Advocacy Chair, provided some input emerging from the recent conference in Dublin – he stated that it was imperative to engage in Regulatory matters and CFA South Africa to take an active role in promoting advocacy, promoting codes and standards and to become a bigger voice and make advocacy a local issue.

Anne Cabot-Alletzhauser- stated that right now the FSB were re-wording their circular combining various codes and that the time to speak was now as within a week there would be no further opportunity. She stated that FSB were actually looking for suggestions. Terence Berry last year attended Trustee Conference Ethics session . Anne Cabot-Alletzhauser to liaise further.

Peter van Ryneveld stated that raising awareness of ethical fundamentals should be highlighted.

It was suggested that members engage employers and NW felt that compliance officers should be engaged in raising awareness of the existence of the codes

There was a question from the floor with regarding to raising fees to promote Ethics/Advocacy and PK stated that this was in the pipeline so that we could speak with a bigger voice on policy decisions at an operational level but with strategic initiatives.

AC stated that CFA Institute enforces code of standards and always encourage members to inform them of any possible misconducts should they become aware of same.

ADT stated that CFA Institute were making a big push towards Africa which would involve South Africa. Currently Mauritius was a society with Kenya and Nigeria working their way forward to become a society but could take some time.

Scholarships – it was requested that details of scholarships and passes/fails be included in future.

The meeting touched on the Investment Research Challenge.

PK stated that volunteers were imperative to the success of the Society and he and AMW briefly outlined requirements and what was expected from a volunteer.

Philip Knibbs thanked those present for attendance as well as input and looked forward to an exciting year ahead