

**MINUTES OF THE 13TH ANNUAL GENERAL MEETING OF CFA SOUTH AFRICA HELD ON
WEDNESDAY 30 MARCH 2016 INVESTEC
SANDTON – V – INVESTEC CT at 17H15**

PRESENT

PHILIP BRADFORD (PB)
NERINA VISSER (NV)
ANN MARIE WOOD (AMW)
ARTHUR THOMPSON (ADT)
NIGEL SULIAMAN (NS)
LUCILLE SMIT
VIMAL CHAGAN
TSENGAYI CHANYANYA
ANIL JUGMOHAN
NEO MOLOTO
DAYNE MORKEL
PRESEDRAN ODAYAR
FRANCOIS STRYDOM

APOLOGIES

INGRID VERMEULEN (IV)
MELVILLE DU PLESSIS (MDP)
MARTIN POOLE (MP)
MARCO EFTSTATHIOU (ME)
BRANDON ZIETSMAN (BZ)
IAN POGGENPOEL
ROSANNE HOWARTH
ANDY HARVERSON
JOHANTHAN MHANGO
SANJAY BHANA
KIVESH DHANRAJ
NISHEL RAMLOUTA

In addition 3 Proxies were received

PREAMBLE

WELCOME

Philip Bradford on behalf of the board welcomed those present

MINUTES

The minutes of the previous AGM had been circulated and appeared on Society Website. The minutes were agreed

**PROPOSER
SECONDER**

**ARTHUR THOMPSON
NIGEL SULIAMAN**

REPORT BY THE SOCIETY PRESIDENT

PRESIDENT'S REPORT FOR 30 March 2016 AGM Covering the financial year 1 September 2014 to 31 August 2015

Presented by Philip Bradford, CFA

WELCOME

On behalf of the Board of CFA Society South Africa I welcome you today; both 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.

We would once again like to thank Investec for allowing us to use their venues and VC facilities, not only for this meeting, but for all our board meetings during the past year.

PRESIDENT'S REPORT

CFA Society South Africa was officially accepted as an affiliated country Society in November 2001. Our current membership is approximately 1500 and the typical Candidate body is about 3700 spread over the three Exam Levels in June and December.

CFA Society South Africa is affiliated to the CFA Institute based in Charlottesville, Virginia, USA and furthers the objectives of CFA Institute in the region. We are the 4th largest society in the EMEA region.

Although an independent body, we represent the CFA Institute in South Africa and thus strive to achieve similar objectives, but with a local flavour, adapted to local conditions and based on what is most relevant to South African members.

Vision

We envision a CFA Society South Africa that:

- is a widely recognised and highly valued organisation by the investment community;
- is a well-regarded source of industry best practices in the areas of ethics, education and professional excellence;
- all investment professionals aspire to be part of.

Funding Model

The Chartered Financial Analysts Society of South Africa (CFA Society 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 \$65 a year which compares favourably with many societies of similar size.

Events and Activities

During the 2014 / 2015 financial year we had a busy year holding 35 different events and activities for Members, Candidates and other industry participants. We have also hosted some additional events thus far in the 2015/2016 financial year. We aim to focus our activities towards education, advocacy and ethics.

CFA South Africa did not charge members for these activities. We do however charge for our annual conference.

Event	Johannesburg	Cape Town
Live Presentations	3	1
Charter Lunches/Events	1	1
CFA Program Introduction Presentations	2	2
Candidate Post-Exam Drinks	2	2
Candidate Intro Sessions	2	2
University Challenge	1	
CFA South Africa Conference	1	
Career days	6	1
Journalist/WITS training	3	
CIO Roundtable	1	1
Networking event		1
Media	2	
Representing CFA Society South Africa at CFA Institute Events		
Society Leadership Conference	Washington – 4-6 September 2014	
EMEA Regional Meeting	Bucharest – March 2015	
Annual Conference	Frankfurt – April 2015	

The following events are worth noting:

CFA Society South Africa - Global Investment Conference – 14 October 2015

We hosted a very successful conference on 14 October 2015. With the assistance of the CFA Institute we were able to secure 2 top international speakers (Dr Pippa Malmgren and Dr Jim Rickards) as well as a strong line-up of local speakers. The conference attracted a quality audience and we received excellent feedback from the attendees.

Young Analyst of the Year Awards

We collaborated with Intellidex in 2015 to launch the Young Analyst of the Year award at the annual FM Top Analyst Awards. CFA SA volunteers and board members graded the reports submitted by analysts under 30yrs old in both the equity and non-equity categories. This is a great initiative which helped promote the CFA brand and will take place again in 2016.

CFA Institute Research Challenge 2015/2016

The CFA Institute Research Challenge offers students the unique opportunity to learn from leading industry experts and compete with peers from the world's top finance programs. This annual educational initiative promotes best practices in equity research among the next generation of analysts through hands-on mentoring and intensive training in company analysis and presentation skills. The company analysed this year was The Spar Group. The winning team was again from the University of Johannesburg who are due to compete in the EMEA Regional Finals in Chicago in April 2016. We wish them the best of luck.

Media Activity

We made a conscious effort to increase our media activity in this last year. This resulted in our board members representing CFA Society South Africa via numerous media interviews on TV, radio and print. The content included Retirement Security, Shadow Banking, Putting Investors First and other updates of our activities. We also launched our Society onto social media which keeps us actively involved with our community. We aim to increase our media activity in the future.

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 4 program partners in South Africa: Stellenbosch University, the University of Cape Town, University of Johannesburg and the University of Pretoria.

Our Constituency and Affiliations

Since Inception in November 2001, CFA Society South Africa has been closely associated with the Investment Analyst 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.

Strategic Review

A strategic review of CFA Society South Africa was recently conducted by our board members and representatives from the CFA Institute. Given the constraints of a volunteer board we decided to change the roles and responsibilities of the Board in order to be more strategic, instead of operational. We are in

the process of set up working committees to focus on specific areas namely: Advocacy, Member Value, Credentialing, MarComms and Governance. These committees will be made up of board members and other volunteers.

We believe our new structure will improve our effectiveness in achieving the society's objectives.

Financial Update

A number of factors of the past two financial years have resulted in an improved financial situation for the Society. These include an increase in member dues in 2014, increased funding from the CFA Institute and a weakening ZAR against the USD.

As at 31 August 2015 the Society had cash reserves of R2,212,871 (an increase of 43% YoY) as a result of income growing faster than expenses.

The Society is now in a position to embark on more frequent and ambitious initiatives to the benefit of our members, candidates and the industry in general.

Appreciation

I would like to thank our board members who offer their personal time to service our members and the broader investment community. Their commitment and enthusiasm is commendable.

On behalf of the board, I would like to extend a special thanks to Ann Marie Wood, our Executive Officer and Lucille Smit. Ann Marie in particular always goes out of her way to ensure that the Board and all the activities of the Society run smoothly for the benefit of our members. In addition, she spends a large amount of time assisting candidates in the CFA program. We are very lucky to have her.

I also extend our appreciation to our Sponsors, who provide us with valuable facility use and support. These include Investec, Old Mutual, CCJ 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 is providing our Members and the local investment community with an ethical, honest and educational set of services – thank you for your support.

Philip Bradford, CFA
President
CFA Society South Africa

The President's report was accepted

PROPOSER
SECONDER

NERINA VISSER
ARTHUR THOMPSON

FINANCIAL ACCOUNTS

The financials had been circulated to attendees. A query was raised regarding money market and 7day call account at FNB. It was explained that the money market funds were transferred to current account when necessary for various expenses. Whereas the 7 day call account was viewed as a savings account but available should there be a large expense
It was noted that as at year end (31 August 2015) the society was in a sound financial position

It was suggested that financials be distributed to AGM attendees together with the Agenda earlier than previous. This was agreed

The financials were agreed

PROPOSER
SECONDER

ARTHUR THOMPSON
NERINA VISSER

APPOINTMENT OF AUDITORS

It was agreed to reappoint Ransome Russouw. However, it was also noted that the financials should be ready by no more than 2 months after being made available. This would mean the next AGM would be able to take place in November.

PROPOSER
SECONDER

NIGEL SULIAMAN
NERINA VISSER

ELECTION OF OFFICE BEARERS

To elect members of the Board in place of

MARTIN POOLE

NIGEL SULIAMAN

MARCO EFSTATHIOU

INGRID VERMEULEN

MELVILLE DU PLESSIS

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

To accept the resignations of **YUNUS KARODIA AND ABDULA MIRZA**

The following remain on the Board

ARTHUR THOMPSON

PHILIP BRADFORD

NERINA VISSER

The following was co-opted on to the board during the year and to be ratified at this meeting:

BRANDON ZIETSMAN

**PROPOSED
SECONDER**

**NIGEL SULIAMAN
ARTHUR THOMPSON**

GENERAL

Philip Bradford touched on volunteers and outlined that following our recent Strategy meeting that sub-committees were to be formed, chaired by a board member and these portfolios were titled as below. Further outreach to volunteers would follow in due course.

Credentiaing - responsible for candidate related activities as well as promotion/support of Institute programs, relations with universities etc.

Member Value – responsible for all aspects affecting existing charterholders, including careers, affiliation, continuing education, mentoring, networking, employer outreach etc.

Standards and Advocacy- responsible for industry support and development, i.e. standards of practice, promotion profession, investor advocacy, regulatory interaction etc.

MarComms – responsible for internal and external communication, awareness, advertising

Governance – to provide consistent management, cohesive policies and manage legal responsibilities and in addition would manage nominations of new board members and succession of the board

CFA Global Brand – Philip Bradford explained this new Institute campaign which would be rolling out soon worldwide and would raise the profile especially with employers and create Brand Ambassadors. We are hopeful that we will be able to get “South African” charterholders on these print advertisements.

There were no further items to discuss the meeting ended.