

**ACTUARIAL SOCIETY OF SOUTH AFRICA**

**CONSTITUTION, 2020**

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## 1. **NAME**

The name of the Society is "THE ACTUARIAL SOCIETY OF SOUTH AFRICA".

## 2. **STATUS AND DOMICILIUM**

2.1 The Society is a body corporate with perpetual succession capable of suing and being sued, of holding and disposing of property and of acquiring rights and obligations in its own name distinct from its members.

2.2 The administrative headquarters of the Society shall be situated where the Council decides from time to time, and shall be the *domicilium citandi et executandi* of the Society for all purposes.

## 3. **OBJECTS**

3.1 The objects for which the Society is established are:

3.1.1 to watch over and protect the interests of the profession, and to take such action as may from time to time be considered desirable with the object of elevating the status and promoting the advancement and best interests of the profession, and to unite members of the profession in South Africa into one (1) general body;

3.1.2 to exercise professional supervision over the members of the Society, and secure for them such definite professional standing as may assist them in the discharge of their duties;

3.1.3 to provide facilities for the dissemination of professional knowledge and the inculcation of the principles of sound actuarial practice;

3.1.4 to extend and improve the methodologies and knowledge pertaining to actuarial science, including, but not limited to the understanding, modelling and management of financial and other measureable risk;

3.1.5 to consider the actuarial aspects of legislation, existing and proposed, and to take such action as considered desirable;

3.1.6 to establish and maintain a pre- and post-qualification educational system that supports an internationally recognised, locally relevant actuarial qualification;

- 3.1.7 to establish and maintain sound relationships with other actuarial organisations;
  - 3.1.8 to award appropriate designations to members that reflect professional competencies within the domain of actuarial science;
  - 3.1.9 to work towards the transformation of the profession in order to make it more demographically representative of South African Society; and
  - 3.1.10 to do all such other lawful things as are incidental or conducive to the attainment of the above objects, with due regard to the public interest.
- 3.2 Substantially the whole of the activities of the Society will be directed to the furtherance of the objects set out in Article 3.1 above, and will not be for the specific benefit of an individual member or a minority group.

#### **4. MEMBERSHIP**

4.1 Membership of the Society is in the following classes:

- 4.1.1 "Fellow member";
- 4.1.2 "Associate member";
- 4.1.3 "Affiliate member";
- 4.1.4 "Student member";
- 4.1.5 "Library member";
- 4.1.6 "Honorary member".

4.2 For the purposes of General Meetings of the Society, Fellow and Associate members may be referred to as "Voting Members".

#### **4.3 Eligibility**

There shall be eligible for admission as a:

- 4.3.1 Fellow member, a person –
  - 4.3.1.1 who has successfully completed such examinations as may be prescribed, and who has met such requirements on professionalism as may be prescribed or as the Council may approve in any particular case; or

- 4.3.1.2 who is a Fellow of an actuarial organisation with which the Society has established a mutual recognition agreement and who is eligible in terms of that agreement; and
- 4.3.1.3 who is considered by the Council to be qualified by virtue of training, experience and ability.
- 4.3.2 Associate member, a person –
  - 4.3.2.1 who has successfully completed such examinations as may be prescribed and who has met such requirements on professionalism as may be prescribed or as the Council may approve in any particular case; or
  - 4.3.2.2 who is an Associate of an actuarial organisation with which the Society has established a mutual recognition agreement and who is eligible in terms of that agreement; and
  - 4.3.2.3 who is considered by the Council to be qualified by virtue of training, experience and ability.
- 4.3.3 Affiliate member, a person who has such educational qualifications as the Council may prescribe and is active in such areas as the Council may prescribe, or holds a senior position in a firm that is active in such areas.
- 4.3.4 Student member, a person who has such educational qualifications and who is following a course of study for such examinations as the Council may prescribe.
- 4.3.5 Library member, a person who has an interest in actuarial science, but is not eligible for membership in another class.
- 4.3.6 Honorary member, a person who, in the opinion of the Council, has rendered or is able to render particularly valuable assistance in promoting the objects of the Society.
- 4.4 In assessing the eligibility of all applicants, the Council shall satisfy itself that the applicant is a fit and proper person to be so admitted.
- 4.5 **Application**

Application for membership in any class shall be made in the form and manner as determined by the Council from time to time.

#### 4.6 **Admission**

4.6.1 The Council has the power to admit any eligible person as a Fellow member, Associate member, Affiliate member, Student member or Library member if it is satisfied that the applicant meets the requirements to be so admitted.

4.6.2 Upon the recommendation of the Council, a person may be admitted as an Honorary member by the Society in General Meeting.

#### 4.7 **Continued Membership**

4.7.1 Any person who was a member of the Society in any class immediately prior to the commencement of this Constitution shall continue to be a member of that class immediately after such commencement.

4.7.2 Membership shall be renewed annually and shall be subject to the member complying with the requirements for continuing membership as prescribed, subject to Articles 4.8 and 11.2.2 below.

#### 4.8 **Termination**

Membership of the Society shall terminate in the circumstances prescribed by the applicable By-law and in accordance with the prescribed disciplinary procedure.

### 5. **THE COUNCIL**

#### 5.1 **Mandate and Composition**

5.1.1 The direction and control of the activities of the Society in pursuit of its objectives, and the management of its affairs generally, shall vest in a Council, save for the matters referred to in Article 6 and matters reserved for a General Meeting.

5.1.2 The Council shall consist of –

5.1.2.1 the President (who shall hold office for two (2) years);

5.1.2.2 the President-Elect;

5.1.2.3 ten (10) members, including the member contemplated in Article 5.1.8 below, elected from among the Fellow members in the manner prescribed;

5.1.2.4 up to two (2) Fellow members co-opted as contemplated in Article 5.1.9 below; and

- 5.1.2.5 one (1) member elected from the Student and Associate members in the manner prescribed, which member shall serve a maximum term of two (2) years.
- 5.1.3 The Council shall at all times consist of at least three (3) persons who are not connected persons in relation to each other, to accept the fiduciary responsibility of the Society.
- 5.1.4 The President and President-Elect shall assume office or be elected in the manner prescribed.
- 5.1.5 Members assume office at the beginning of the calendar year following their election, and, subject to Article 5.1.11, continue to serve until the end of the calendar year during which they retire from the Council, or are replaced in an election for office-bearers.
- 5.1.6 The Council may exercise its powers notwithstanding any casual vacancies: Provided that the Council shall not do so if the number of members thereof falls below six (6), except to fill sufficient vacancies to bring the number of members to at least six (6).
- 5.1.7 In addition to the members of the Council referred to in Article 5.1.2, the Council shall have the authority to appoint not more than one (1) additional Observer member, which Observer member –
- 5.1.7.1 shall be entitled to receive notice of all meetings of the Council;
- 5.1.7.2 shall be entitled to attend and speak at all meetings of the Council and otherwise to participate in the proceedings of those meetings, but shall not be entitled to vote on any matter placed before the Council for consideration;
- 5.1.7.3 shall retire at the end of the calendar year in which he or she was appointed, but shall be eligible for re-appointment;
- 5.1.7.4 shall not be counted for purposes of a quorum in terms of Article 5.4.2.
- 5.1.8 One (1) of the ten (10) elected Fellow members of the Council shall be a member who has been admitted as a Fellow member for less than three (3) years at the date of his or her election, unless no nominations are received for the election to the Council of such newly qualified member. That member of the Council –

- 5.1.8.1 may make himself or herself available for election as such a newly qualified member of the Council, in which case Student, Technical and Voting members of the Society may participate in any election that may be required, or as an ordinary member of the Council, in which case only Voting members may participate in any election that may be required, but not for both;
- 5.1.8.2 shall be entitled to hold office as a member of the Council in that capacity for not more than two (2) years;
- 5.1.8.3 shall be eligible for re-election as an ordinary member of the Council;
- 5.1.8.4 shall otherwise be subject to the provisions of the Constitution and Bylaws which are applicable to the members of the Council.
- 5.1.9 In addition to the elected members listed in Article 5.1.2 –
  - 5.1.9.1 the Council may co-opt not more than two (2) members, which members shall have the same rights as the members listed above;
  - 5.1.9.2 a co-option made in terms of Article 5.1.9.1 shall be valid for the remainder of the calendar year during which it is made;
  - 5.1.9.3 the co-option of any member may be renewed once only. Thereafter, a period of at least one (1) calendar year must expire before the same member may be co-opted again.
- 5.1.10 The process for the election of Council members, the President and President-Elect shall be as prescribed. When an election is required, unless otherwise requested in writing by Fellow and Associate members numbering not less than ten percent (10%) of the total number of Fellow and Associate members, the election of Council members, President and President-Elect shall be by postal, facsimile, e-mail, internet or other electronic ballot as prescribed.
- 5.1.11 Membership of the Council shall rotate as follows –
  - 5.1.11.1 three (3) of the Fellow members of the Council, other than the President and the President-Elect (where the office of President-Elect has been filled during the year in question), being those who have then been longest in office, as determined from their latest date of election, shall retire at the end of each calendar year: Provided that any member who has held office for four (4) consecutive years shall retire,



unless such member has been nominated and subsequently elected as President-Elect, in which case such member may serve a further term, subject to the maximum term of office prescribed in respect of the President-Elect: Provided further that, as between members with equal service, those who are to retire shall, in the absence of agreement between them, be determined by lot under the direction of the President;

- 5.1.11.2 a retiring Council member shall be eligible for re-election: Provided that no member who has held office for four (4) consecutive years shall be eligible for re-election until an interval of one (1) year has elapsed, unless the Council resolves otherwise, or such member has been nominated and subsequently elected as President-Elect, in which case the one (1) year interval will not apply and the member may be re-elected for a further term immediately: Provided further that service on the Council as a co-opted member as contemplated under Article 5.1.9 shall not count in determining the period of service for the purposes of this Article;
- 5.1.11.3 new members to replace those who are retiring shall be nominated and elected in the manner prescribed.
- 5.1.12 An office-bearer referred to in Article 5.1.2 shall vacate office when –
- 5.1.12.1 the office-bearer's membership of the Society is terminated or suspended in terms of the applicable By-law and in accordance with the prescribed disciplinary procedure; or
- 5.1.12.2 the office-bearer, by notice in writing to the President of the Society, resigns; or
- 5.1.12.3 members belonging to the same class of membership as the office-bearer in General Meeting of the Society remove the member from office, by special resolution, having the affirmative votes of not less than two-thirds of those who are entitled to vote and are present in person or by proxy; or
- 5.1.12.4 not less than seventy-five percent (75%) of the other members of the Council are of the view that a complaint lodged with the Society concerning the professional conduct of the member concerned is serious enough to warrant that member standing down. Any such office-bearer shall be eligible for re-election as an office-bearer at the next succeeding election of office-bearers; or
- 5.1.12.5 the other members of the Council resolve so unanimously.

## 5.2 Powers

- 5.2.1 No single person may directly or indirectly control the decision-making powers of the Society.
- 5.2.2 The Council may exercise all such powers of the Society save for those powers reserved to the Actuarial Governance Board pursuant to Article 6.2 and those powers which may be reserved to members in General Meeting.
- 5.2.3 Without limiting the generality of Article 5.2.2, the Council has the power to –
  - 5.2.3.1 enter into contracts on behalf of the Society;
  - 5.2.3.2 collect the funds of the Society and to invest them as it deems fit;
  - 5.2.3.3 accept donations to the Society for specific or general purposes;
  - 5.2.3.4 expend the funds of the Society for the purposes of the Society subject to Article 11.5 or the terms of any donation;
  - 5.2.3.5 borrow money for the purposes of the Society and to bind the Society's property as security therefor;
  - 5.2.3.6 establish a trust or trusts that further the aims and objectives of the Society and make loans and donations to such trusts;
  - 5.2.3.7 prosecute or defend any legal action in which the Society is or may be party;
  - 5.2.3.8 admit members and terminate membership in accordance with this Constitution;
  - 5.2.3.9 award designations as may be prescribed to members achieving specified educational and other requirements as may be determined by the Council from time to time;
  - 5.2.3.10 subject to Article 8, make By-laws;

- 5.2.3.11 issue notes on professional guidance and conduct, compliance with which the Council may determine to be mandatory for members under circumstances as determined by the Council;
- 5.2.3.12 set subscription and other membership-related fees for all categories of members;
- 5.2.3.13 set fees for services and events, including education-related fees;
- 5.2.3.14 appoint committees and delegate such powers to them as it may deem fit, and determine quorums and lay down rules for regulating their proceedings: Provided that appointments of members to serve on disciplinary structures shall be subject to the approval of the Actuarial Governance Board referred to in Article 6;
- 5.2.3.15 enter into agreements, including mutual disciplinary and mutual recognition agreements, with equivalent professional bodies, and may formulate, amend or repeal policies in this regard as it may deem necessary; and
- 5.2.3.16 generally do all other things which it is required or permitted to do or which are necessary in pursuit of the objectives and for the good management of the Society.

### 5.3 **Executive Committee**

There shall be an Executive Committee of the Society consisting of such members as the Council may from time to time appoint or remove, to which shall be delegated such of the powers of the Council as the Council may from time to time decide.

### 5.4 **Meetings**

- 5.4.1 The Council and the Executive Committee shall meet and conduct their business at such times and in such manner as they may determine from time to time.
- 5.4.2 A quorum for meetings shall be – 5.4.2.1 the  
Council: six (6) members, and
- 5.4.2.2 the Executive Committee: five (5) members: Provided that there is a majority of the Council members at any meeting.
- 5.4.3 Subject to this Constitution, questions at a meeting of the Council or the Executive Committee shall be decided by a majority of votes. The Chairperson of the meeting shall have a casting vote in the event of an equality of votes.

5.4.4 Minutes of all meetings of the Council and of the Executive Committee shall be kept and shall be entered in books kept for that purpose and any such minutes when signed by the Chairperson of the meeting concerned, or by the Chairperson of the next meeting, shall be *prima facie* evidence of those proceedings.

5.4.5 The Chairperson, or any two of the members of the Council or Executive Committee (as applicable), may call meetings of the Council or Executive Committee (as applicable) from time to time, and shall notify all members of the Council or all members of the Executive Committee (as applicable) of the date, hour and place of the proposed meeting within a reasonable time, but not less than five (5) days before it is due to take place.

## 6. THE ACTUARIAL GOVERNANCE BOARD

### 6.1 Mandate and Composition

6.1.1 Responsibility for the matters set out in Article 6.2 shall vest in the Actuarial Governance Board ("the Board"). The Board shall consist of not less than four (4) and not more than six (6) members appointed in the manner set out in Article 6.1.7.

6.1.2 Members of the Board shall vacate their offices, and casual vacancies on the Board shall be filled, in the circumstances and manner prescribed.

6.1.3 Each member of the Board shall be appointed for a period of four (4) years but no member shall serve beyond the end of the month in which the member reaches the age of eighty (80).

6.1.4 A retiring member shall be eligible for re-appointment: Provided that no member who has held office for two (2) consecutive terms shall be eligible for re-appointment.

6.1.5 New members to replace those who are retiring shall be appointed in the manner prescribed.

6.1.6 The Board may exercise its powers notwithstanding any casual vacancies: Provided that the Board shall not do so if the number of members thereof falls below three (3).

6.1.7 Members of the Board will be appointed as follows:

6.1.7.1 One (1) member will be appointed by each of the following –

- 6.1.7.1.1 the South African Institute of Chartered Accountants (“SAICA”); that member to be a member in good standing of that body ;
- 6.1.7.1.2 the General Council of the Bar of South Africa;
- 6.1.7.1.3 the Council, that member to have not less than fifteen (15) years experience as a Fellow member of a body recognised by the Council as an actuarial body;
- 6.1.7.1.4 the Financial Sector Conduct Authority, that member not to be a full-time employee of that body.
- 6.1.7.2 The Board may, at its discretion, appoint up to two (2) additional members having, in the opinion of the Board, appropriate expertise and experience.
- 6.1.8 Fellow members of the Society may not at any time comprise a majority of members of the Board.

## 6.2 Powers and Responsibilities

- 6.2.1 In exercising its powers and responsibilities the Board shall strive to enhance the reputation of the actuarial profession and further the objects of the Society.
- 6.2.2 The Board shall –
  - 6.2.2.1 determine the disciplinary process to be applied by the Council;
  - 6.2.2.2 monitor the effectiveness of such disciplinary process;
  - 6.2.2.3 approve the code of professional conduct, as developed by the Council from time to time, for circulation to members; and
  - 6.2.2.4 otherwise review and, where appropriate, make recommendations from time to time to the Council on matters relating to the governance of the Society.
- 6.2.3 In addition, the Board may –
  - 6.2.3.1 review and make recommendations to the Council on the post-qualification professional training and development programmes as developed by the Council from time to time;
  - 6.2.3.2 review and make recommendations to the Council on the professional guidance notes developed and issued by the Council from time to time; and

- 6.2.3.3 generally comment on and, where appropriate, make recommendations to the Council on matters affecting the reputation of the Society and its members.
- 6.2.4 The Council shall respond to all recommendations from the Board in a timely and transparent manner.
- 6.2.5 In the event of a dispute between members of the Society and the Board in respect of any matter referred to in Article 6.2.2, the matter may be referred to a Special General Meeting, convened in terms of Article 10.2.2, but any resolution on the matter taken at such meeting shall –
- 6.2.5.1 not amend the proposals by the Board, but only refer such proposal back to the Board for reconsideration; and
- 6.2.5.2 have the support of at least two-thirds of the Voting Members present and voting at the meeting, or twenty-five percent (25%) of all Voting Members, whichever is the greater.
- 6.2.6 If a dispute between the Board and members remains unresolved after it has been referred back to the Board twice in terms of Article 6.2.5, the Council shall refer the matter to a mediator agreed upon by the Board and the Council, or failing agreement, appointed by the President.
- 6.2.7 In the event that the issue in dispute remains unresolved for a period of twenty-one (21) days after it has been referred to the mediator, or for such alternative period as may be agreed by the Board and the Council, then the matter in dispute shall be referred to a Senior Counsel appointed by the General Council of the Bar of South Africa, who shall determine the matter in dispute in accordance with a procedure determined by him/her, and whose decision shall be final and binding on the Board and the Council, the intention being that the issue in dispute should be determined as quickly as possible.
- 6.3 **Meetings**
- 6.3.1 The Board shall meet and conduct its business at such times and in such manner as it may determine from time to time. This includes, but is not limited to, meeting by teleconference or video conference, and discussing matters and taking decisions by e-mail or other electronic means.
- 6.3.2 Three (3) members of the Board shall form a quorum for meetings.

- 6.3.3 Subject to this Constitution, questions at a meeting shall be decided by a majority of votes. The Chairperson shall have a casting vote in the event of an equality of votes.
- 6.3.4 Minutes of all meetings shall be kept and shall be entered in books kept for that purpose and any such minutes when signed by the Chairperson of the meeting concerned, or by the Chairperson of the next meeting, shall be *prima facie* evidence of those proceedings.
- 6.3.5 The Chairperson of the Board, or any two members of the Board, may call meetings of the Board from time to time, and shall notify all Board members of the date, hour and place of the proposed meeting within a reasonable time, but not less than five (5) days before it is due to take place.

#### 6.4 **Financial and Other Matters**

The funding of the Board and other matters relating to the Board shall be as prescribed.

### 7. **PROFESSIONAL CONDUCT AND DISCIPLINE**

- 7.1 The Council shall issue guidance on professional conduct, which guidance shall be subject to the prior approval of the Board.
- 7.2 The Board shall determine and the Council shall implement a disciplinary procedure for the investigation and hearing of any allegation of unprofessional conduct, and for the determination of an appropriate penalty in respect thereof, and such procedure shall be prescribed.

### 8. **BY-LAWS**

- 8.1 Subject to this Article, the Council may make By-laws, not inconsistent with this Constitution –
- 8.1.1 providing for all matters which this Constitution requires or permits to be prescribed; and
- 8.1.2 generally for all matters that are necessary or expedient for achieving the objects of the Society and for the management of its affairs;

and may likewise amend or repeal any such By-law: Provided that any proposed amendment to a By-law that affects the Board directly or indirectly must be approved by the Board prior to the member approval process as contemplated in Articles 8.2 and 8.3 below.

- 8.2 Save in respect of a By-law determining the disciplinary process of the Society, when the Council has resolved to make, amend or repeal a By-law under Article 8.1, it shall dispatch to all Voting Members a copy thereof and the members shall, subject to Article 8.3.1, have thirty (30) days from the date of dispatch in which to object thereto in writing to the Society.
- 8.3 If the making, amendment or replacement of a By-law under Article 8.1 is –
- 8.3.1 objected to by not less than ten percent (10%) of all Voting Members of the Society, the Council may withdraw its resolution or submit the matter for consideration as special business at a General Meeting of the Society; or
- 8.3.2 not objected to as provided in Article 8.3.1, the By-law concerned shall be deemed to have been made, amended or repealed as resolved by the Council.
- 8.4 Notwithstanding Articles 8.2 and 8.3, the Council may elect to amend the By-laws by special resolution at a General Meeting: Provided that not less than two-thirds of all Voting Members entitled to vote as are present in person or by proxy, vote in favour of the resolution; Provided further that this provision does not apply to a By-law determining the disciplinary process of the Society.
- 8.5 By-laws made under this Article shall be binding on the Society and its members as if they were part of this Constitution.
- 8.6 The first By-laws under this Constitution shall be those contained in the Schedule hereto, which shall thereafter be dealt with as provided in this Article.

## 9. **CHAIRING**

- 9.1 The President, or in the absence of the President, the President-Elect, or in their absence a Fellow member elected by the Fellow members present, shall chair meetings of the Council, the Executive Committee or General Meetings of the Society.



- 9.2 The person to chair the Actuarial Governance Board shall be elected annually by the members of the Board from amongst their members.

## 10. GENERAL MEETINGS

### 10.1 Annual General Meeting

- 10.1.1 An Annual General Meeting of the members of the Society shall be held not later than six (6) months after the end of each financial year of the Society.

- 10.1.2 Notice of the Annual General Meeting shall be given in the manner prescribed.

- 10.1.3 The Annual General Meeting shall conduct the following business, which shall be ordinary business –

- 10.1.3.1 to receive and consider a report of the Council on the affairs of the Society, and the audited financial statements of the Society for the prior financial year;

- 10.1.3.2 to receive and consider a report of the Actuarial Governance Board on matters falling within the ambit of the responsibilities of the Board during the prior financial year;

- 10.1.3.3 to consider any other matter relevant to the affairs of the Society, not being special business;

and may conduct any other business, which shall be special business, of which due notice has been given and which is otherwise dealt with in the manner provided in this Constitution or as prescribed.

### 10.2 Special General Meeting

- 10.2.1 The Society may meet in Special General Meeting, convened as provided in Article 10.2.2, to conduct solely that special business of which due notice has been given.

- 10.2.2 A Special General Meeting shall be convened at the direction of the Council or of the Board, or on a written request by Voting Members numbering not less than ten percent (10%) of the total number of Voting Members.

### 10.3 Quorum

Subject to Article 10.7, Voting Members present in person or by proxy and numbering not less than five percent (5%) of the total number of Voting Members of the Society recorded in the register of members on the last day of the most recently

completed financial year of the Society, shall form a quorum for the conduct of the business of a General Meeting.

#### 10.4 **Voting Procedures**

10.4.1 Unless otherwise provided in this Constitution or the By-laws –

10.4.1.1 at any General Meeting questions shall be decided by a show of hands of the Voting Members there present in person or by proxy, each such member having one (1) vote: Provided that the Chairperson of the General Meeting may on his or her own initiative, and shall if not less than 10 (ten) Voting Members there present in person or by proxy so demand, order that voting on any question shall be made by means of a ballot taken under his or her direction in which event the question shall be decided by ballot of the Voting Members there present in person or by proxy, each such person having one (1) vote;

10.4.1.2 every question at a General Meeting shall be decided by a majority of the votes cast. In the event of an equality of votes, the Chairperson shall have a casting vote.

10.4.2 A Voting Member who wishes to be represented at a General Meeting by a proxy shall appoint such proxy in the form prescribed: Provided that –

10.4.2.1 no person other than a Voting Member shall be appointed as a proxy;

10.4.2.2 no proxy may be exercised unless the Chairperson, whose ruling shall be final and binding, is satisfied that the appointment was properly and validly made and was received by the meeting officer, as appointed by the Council in the manner prescribed, prior to the commencement of the meeting.

#### 10.5 **Postal, facsimile, e-mail, internet or other electronic ballot**

10.5.1 If –

10.5.1.1 the Council so resolves, and not more than five percent (5%) of Voting Members object in writing to the meeting officer within ten (10) days of notice of the ballot having been given; or

10.5.1.2 Voting Members numbering not less than five percent (5%) or the total number of Voting Members have so demanded in writing received by the office of the Actuarial Society not less than fourteen (14) days before the date of the meeting concerned,

voting on any question which constitutes special business shall be determined by means of a postal, facsimile, e-mail, internet or other electronic ballot of all of the Voting Members of the Society.

- 10.5.2 A postal, facsimile, e-mail, internet or other electronic ballot shall be conducted in the manner prescribed.
- 10.5.3 If there is a postal, facsimile, e-mail, internet or other electronic ballot the question shall be removed from the business of the meeting concerned.
- 10.5.4 The result of the postal, facsimile, e-mail, internet or other electronic ballot shall be declared by the President in due course and shall thereupon be the decision of the Society, and members shall be notified of the result.

#### 10.6 **Attendance of other members**

In addition to the Voting Members, all other members of the Actuarial Society shall be entitled to attend and, with leave of the Chairperson, to speak, but not to vote, at any General Meeting of the Society.

#### 10.7 **Adjournment**

- 10.7.1 If within thirty (30) minutes after the time appointed for a General Meeting a quorum is not present, the meeting –
  - 10.7.1.1 if called on the request of Voting Members under Article 10.2.2, shall be dissolved;
  - 10.7.1.2 in any other case shall be adjourned to the same day one (1) week later, at the same hour and at the administrative headquarters of the Society, or if that day falls on a public holiday, then at the same time on the following business day, and if at that adjourned meeting a quorum is still not present the Voting Members then present in person or by proxy shall constitute a quorum for the meeting.
- 10.7.2 The Chairperson of any properly constituted General Meeting may, with the consent of the majority of the Voting Members present, adjourn it from time to time and from place to place.

### 11. **FINANCIAL MATTERS**

#### 11.1 **Financial year**

The financial year of the Society shall end on 31 December in each year.

## 11.2 Sources of Funds

11.2.1 Every member shall pay to the Society an annual subscription in respect of each financial year of such amount as may be determined by the Council in terms of Article5.2.3, payable in such manner as may be prescribed.

11.2.2 If the subscription or part thereof is not paid by the due date as prescribed, notice thereof shall be given to the member and –

11.2.2.1 if not paid within two (2) months of its due date, the member shall not be entitled to exercise any of his/her rights under this Constitution until it is paid; or

11.2.2.2 if not paid within six (6) months of its due date, the member shall be deemed to have resigned from the Society upon the expiry of that six (6)-month period, unless the Council for good cause shown, and on such conditions, including satisfactory arrangements for payment, as it deems fit, otherwise approves.

11.2.3 Substantially the whole of the Society's funding will be derived from its members, or from an appropriation by the government of South Africa in the national, provincial or local sphere.

## 11.3 Banking Accounts

11.3.1 All monies received by the Society shall be deposited to its credit in accounts in the name of "The Actuarial Society of South Africa" at such commercial banks as shall be decided upon by the Council.

11.3.2 All operations upon such banking accounts shall be effected in pursuance of such authorisation as may be given by resolution of the Council.

## 11.4 Investment of Funds

11.4.1 Any of the monies of the Society not immediately required for the furtherance of the objects of the Society may be invested in its name by the Council as provided in Article5.2.3.

11.4.2 The Society may not have a share or other interest in any business, profession or occupation which is carried on by its members.

#### 11.5 **Application of Income**

11.5.1 The Society shall utilise substantially the whole of its funds for the objects for which it has been established, as set out in Article 3.1.

11.5.2 The Society may not directly or indirectly distribute any of its funds or assets to any person other than in the course of furthering its objects as set out in Article 3.1.

11.5.3 No portion of the income or property of the Society shall be paid transferred or otherwise distributed, directly or indirectly, by way of dividend, bonus or otherwise to any person who is or at any time has been a member or office-bearer of the Society or to any person claiming through such an office-bearer, member or former member.

11.5.4 Subject to Articles 11.5.1, 11.5.2 and 11.5.3 above, nothing herein contained shall prevent the payment in good faith to any employee, office bearer, member or other person -

11.5.4.1 of remuneration as defined in the Fourth Schedule to the Income Tax Act No. 58 of 1962, which remuneration shall not be excessive, having regard to what is generally considered reasonable in the sector in which the Society operates and in relation to the services rendered to the Society;

11.5.4.2 of amounts as an award from a prize fund or other fund specifically established for the purpose of such payments, provided the criteria for the granting of such award is in line with the Society's objectives; or

11.5.4.3 as a reasonable reimbursement of expenses incurred while on the business of the Society.

11.5.5 No member may receive remuneration as contemplated in Article 11.5.4.1 above, whilst serving as a member of the Council, unless the Council resolves accordingly, with at least seventy-five percent (75%) of all the Council members supporting the resolution.

- 11.5.6 No member of the Society may directly or indirectly have any personal or private interest in the Society.

## 11.6 **Members and Office-bearers**

No member or office-bearer may directly or indirectly hold rights in the property or assets of the Society solely by virtue of their being a member or holding a position as an office-bearer.

## 11.7 **Accounts and Audit**

- 11.7.1 Accounting records shall be kept, in accordance with generally accepted accounting practice, of the transactions of the Society and there shall be prepared in respect of every financial year financial statements which, together with any annexure thereto, present fairly the affairs of the Society and the results of its operations during the financial year concerned.

- 11.7.2 The financial statements of the Society shall be audited by an external auditor appointed by the Council.

- 11.7.3 The Society will comply with such reporting requirements as may be determined by the Commissioner from time to time.

## 12. **ALTERATION OF CONSTITUTION**

- 12.1 The terms of this Constitution may be replaced or amended by special resolution, at a General Meeting: Provided that not less than two-thirds of Fellow members entitled to vote as are present in person or by proxy, vote in favour of the resolution.

- 12.2 The Council shall submit any amendment of the Constitution of the Society to the Commissioner, within 30 days of its amendment.

## 13. **DISSOLUTION**

- 13.1 On dissolution or winding up of the Society:

- 13.1.1 at the meeting at which the dissolution of the Society is decided, an interim committee shall be appointed to take responsibility for the dissolution procedure with power to delegate and co-opt to fill vacancies;
- 13.1.2 all assets shall be sold and liabilities discharged;
- 13.1.3 any surplus after the liabilities have been met shall be donated to one or more non-profit companies, registered external non-profit companies carrying on activities within the Republic of South Africa, voluntary associations or non-profit trusts ("**Entities**") having objects similar to the objects of the Society, provided that each of the relevant Entities qualify as a Public Benefit Organisation and a Nonprofit Organisation at or immediately before the Society's dissolution. For the avoidance of doubt, the recipient of the net value of the Society shall be required to use those assets solely for the purposes of carrying out a public benefit activity and the decision as to which organisation shall receive the funds shall be agreed at the meeting at which the dissolution of the Society is decided or, failing which, a court with competent jurisdiction.

#### 14. **VALIDITY**

All acts done by the Council, the Board or the Executive Committee or any other body of the Society shall be valid, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any member of the body concerned.

#### 15. **INDEMNITIES AND LIMITATION OF LIABILITY OF MEMBERS**

- 15.1 Every office-bearer, member of the Council or a Committee, or other body, of the Society, who is in good standing with the Society and against whom no disciplinary proceedings are pending, every member of the Board, and every employee of the Society or other person authorised by the Council to perform a specified duty or exercise a specified power on the business of the Society, shall be indemnified by the Society against any civil liability incurred, any financial losses suffered, and any expenses incurred, arising from, or in connection with, the execution of functions, duties or powers on behalf of the Society, except such liability, claims, losses or expenses caused by, or in connection with, such person's own fraud, dishonesty or wilful default.

- 15.2 No member of the Society shall incur any liability for any obligations undertaken or incurred by the Society, or arising from any omissions of, or acts performed by, any office-bearer, member of the Council or Board or a Committee or other body of the Society, or employee of the Society, in the execution of their duties, functions, or powers.

16. **IMPERMISSIBLE AVOIDANCE ARRANGEMENTS**

The Society is not knowingly and will not knowingly become a party to, and does not knowingly and will not knowingly permit itself to be used as part of, an impermissible avoidance arrangement contemplated in Part IIA of Chapter III of the Income Tax Act, or a transaction, operation or scheme contemplated in section 103(5) of the Income Tax Act.

17. **INTERPRETATION**

- 17.1 In this Constitution, unless inconsistent with the context –

17.1.1 "By-law" means a By-law made as provided in Article 8;

17.1.2 "Commissioner" means the Commissioner for the South African Revenue Service;

17.1.3 "former Constitution" means the Constitution of the Society in force immediately prior to the commencement of this Constitution;

17.1.4 "Income Tax Act" means the Income Tax Act No. 58 of 1962, as amended;

17.1.5 "meeting" includes meetings by video or teleconference;

17.1.6 "prescribed" means made as a By-law.

17.2 Where this Constitution or any By-laws made hereunder require that any communication shall be in writing or posted such requirement shall also be deemed to be satisfied upon receipt, by the addressee, of the communication by electronic means including facsimile, e-mail or like transmissions.

18. **TRANSITIONAL PROVISIONS**

This Constitution comes into force at the end of the Annual General Meeting held in June 2019. Prior to this, the affairs of the Society are deemed to have been governed by the Constitution then in force. Decisions and actions taken in terms of that



Constitution remain valid until rescinded or amended by the Council or the relevant delegated authority.

19. **COMMENCEMENT**

This Constitution shall commence and be the Constitution of the Society upon the conclusion of the General Meeting of the Society at which it is passed, provided that Article 5.1.2.5 shall come into operation at the close of the Society's Annual General Meeting in 2021.

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This version of the Constitution, 2009, was approved at the Annual General Meeting of the Actuarial Society held on 19 June 2019.

Approved: Special General Meeting, 30 April 2009  
Amended: Annual General Meeting, May 2009  
Amended: Annual General Meeting, June 2013  
Amended: Annual General Meeting, June 2014  
Amended: Annual General Meeting, June 2016  
Amended: Annual General Meeting, June 2019  
Amended: Annual General Meeting, June 2020