

DEED OF TRUST

in respect of the

THE ACTUARIAL SOCIETY DEVELOPMENT TRUST

("the Trust")

entered into by

THE ACTUARIAL SOCIETY OF SOUTH AFRICA

("the founder")

and

THE VARIOUS TRUSTEES



Webber Wentzel

TABLE OF CONTENTS

1.	Interpretation	3
2.	Recordal	5
3.	Creation of the Trust	5
4.	Objects of the Trust	5
5.	Subject matter of Trust	6
6.	Public benefit organisation	6
7.	Application of the trust fund	8
7.3	Support grants	8
7.4	Bursaries	9
8.	Trustees	10
8.1	Appointment	10
8.3	Security dispensed with	11
8.4	Disqualification of trustees and vacating of office	11
8.5	Trustees' procedures and decisions	12
8.6	Powers of the trustees	13
8.7	Statutory duties of the trustees	15
8.8	Trustees' discretion	16
8.9	Trustees' expenses and remuneration	16
8.10	Books of account	17
8.11	Losses	17
9.	Protection of beneficiaries	18
10.	Shareholding	19
11.	Amendment	19
12.	Applicable law	19



1. Interpretation

In this Deed:

- 1.1 clause headings are for convenience and shall not be used in its interpretation;
- 1.2 unless otherwise stated or inconsistent with the context an expression which denotes:
- 1.2.1 any gender includes the other genders;
- 1.2.2 a natural person includes an artificial person and *vice versa*; and
- 1.2.3 the singular includes the plural and *vice versa*;
- 1.3 the words "*capital*" and "*amount*" shall be given their widest meanings and shall include assets or rights of any kind;
- 1.4 the word "*pay*" and its derivatives shall mean and include the words "*pay*", "*deliver*", "*give possession*", "*cede*" or "*transfer*" and their respective derivatives;
- 1.5 the following words and expressions shall bear the meanings assigned to them below and cognate words and expressions shall bear corresponding meanings:
- 1.5.1 "Act" - means the Income Tax Act, 1962 (Act No. 58 of 1962) as amended;
- 1.5.2 "beneficiary" - means –
- 1.5.2.1 a university offering courses of relevance to actuarial science, which have been approved by the founder;
- 1.5.2.2 selected individuals studying actuarial science; and
- 1.5.2.3 any third party undertaking any activity stated in clause 4.3;



- 1.5.3 "Commissioner" - means the Commissioner for the South African Revenue Service;
- 1.5.4 "employer" - means an entity that employs actuaries and/or actuarial students;
- 1.5.5 "financial year" - means the financial year of the Trust being the 12 (twelve)-month period running from the beginning of January to the end of December each year;
- 1.5.6 "founder" - means the Actuarial Society of South Africa, a professional organisation for actuaries and actuarial students in South Africa, established in 1948;
- 1.5.7 "PBO" - means Public Benefit Organisation as contemplated in section 30 of the Act;
- 1.5.8 "support grant" - means an amount paid by the Trust to a beneficiary that is a university, in terms of the provisions of this Deed;
- 1.5.9 "tax" - means any tax, duty, or levy now leviable or which may hereafter become leviable under whatever name is assigned thereto, by the state or other authority;
- 1.5.10 "trust fund" - means –
- 1.5.10.1 all investments, property and unexpended or accumulated income of which the trustees may from time to time stand possessed;
- 1.5.10.2 all sums of money, property or assets subsequently acquired whether by bequest, donation, purchase, loan, exchange or otherwise for the purpose of the Trust; and



1.5.10.3 the property donated by the founder in terms of this Deed;

- 1.5.11 "Trust" - means the Actuarial Society Development Trust;
- 1.5.12 "trustees" - means, in the first instance Garth Griffin, Peter Raymond Doyle, Stephen Handler and Wayne Dam, while holding office as trustees, and thereafter their successors-in-office.

2. Recordal

2.1 The founder has resolved to establish a charitable foundation for the benefit of members of the public who are involved in the actuarial profession and in particular, for making funds available to:

- 2.1.1 universities that offer courses of relevance to actuarial science;
- 2.1.2 selected individuals studying or commencing their studies in actuarial science; and
- 2.1.3 facilitate research and training and accordingly the development of the actuarial profession in South Africa.

2.2 The trustees agree to accept office as such and to hold and administer the trust fund in terms of the obligations, powers and discretions set out herein.

3. Creation of the Trust

A Trust is hereby constituted that will be known as the Actuarial Society Development Trust.

4. Objects of the Trust

The objects of the Trust are to:

- 4.1 provide support grants to beneficiaries listed in clause 1.5.2 in order to –
- 4.1.1 support their teaching and research programmes aimed specifically at the development of actuarial science students; and



- 4.1.2 assist them in recruiting and retaining top-class actuarial academics;
- 4.2 provide bursaries for selected students who lack the financial resources to commence or complete their studies in actuarial science;
- 4.3 provide funding for –
 - 4.3.1 research that advances actuarial knowledge;
 - 4.3.2 research to support policy debates related to the actuarial profession; and
 - 4.3.3 activities that enhance the training and development of actuarial professionals in South Africa; and
- 4.4 further such other purposes within the general objects of this Trust, as the trustees in their sole discretion may deem fit.

5. **Subject matter of Trust**

- 5.1 The initial subject matter of the Trust will be the sum of R100.00 (one hundred rand) which the founder hereby undertakes to donate to the trustees, who hereby accept such donation, subject to the terms and conditions of this Deed.
- 5.2 The initial subject matter of the Trust may be added to and increased in any manner from time to time.

6. **Public benefit organisation**

- 6.1 The Trust is intended to be approved as a PBO and as far as possible in law, to have an identity and existence distinct from its trustees and office bearers.
- 6.2 The objects of the Trust are to be carried out in the following manner:
 - 6.2.1 the Trust's activities are carried out in a non-profit manner; and
 - 6.2.2 the Trust shall not pay any remuneration to any trustee, employee or other person which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service



rendered and has not and will not economically benefit any person in a manner which is not consistent with its objects.

- 6.3 No single person directly or indirectly shall control the decision-making powers relating to the Trust.
- 6.4 The Trust shall not distribute any of its funds to any person (other than in the course of undertaking any public benefit activity) and is required to utilise its funds solely for the objects for which it has been established.
- 6.5 The Trust is required on its dissolution to transfer its assets to:
- 6.5.1 any PBO which has been approved as such in terms of the Act;
 - 6.5.2 any institution, board or body which is exempt from tax under the provisions of section 10(1)(cA)(i) of the Act, which has its sole or principal object the carrying on of any public benefit activity as defined in the Act; or
 - 6.5.3 any department of state or administration in the national or provincial or local sphere of government of the Republic,
- which is required to use those assets solely for purposes of carrying on one or more public benefit activities.
- 6.6 The Trust is prohibited from accepting any donation which is revocable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation, including any misrepresentation with regard to the tax deductibility thereof; provided that a donor (other than a donor which is a PBO or an institution board or body which is exempt from tax in terms of section 10(1)(cA)(i) of the Act, which has as its sole or principal object the carrying on of any public benefit activity) may not impose conditions which could enable such donor or any connected person in relation to such donor to derive some direct or indirect benefit from the application of such donation.
- 6.7 The Trust is required to submit a copy of any amendment to this Trust Deed to the Commissioner.



7. Application of the trust fund

7.1 The trust fund shall vest in the trustees and shall be managed and controlled by them for the purposes and upon the terms and conditions set out in this Deed.

7.2 The trustees shall by the exercise of their powers and authorities under this Deed distribute, or incur the obligation to distribute, for the purpose of achieving the objects of the trust, not less than 75% (seventy-five percent) of all funds received by way of donation within 12 (twelve) months of the end of the financial year in which the relevant funds were received, or such other proportion as the Commissioner may from time to time require. Any unused income shall be accumulated or capitalised as the trustees from time to time deem fit.

7.3 Support grants

7.3.1 The trustees shall be responsible for the payment of support grants; provided that the trustees shall not make payment of any support grant unless they hold trust funds sufficient to effect such payment.

7.3.2 Support grants are to be paid only out of the trust funds expressly budgeted and set aside by the trustees for this purpose.

7.3.3 On-going support grants are subject to the beneficiary retaining its accreditation status with the founder.

7.3.4 To facilitate planning by the beneficiaries, support grants should be made for a period not less than 3 (three) years and not more than 5 (five) years, with 1 (one) year notice period of discontinuance.

7.3.5 Support grants must be used primarily for the supplementation of staff salaries by the beneficiaries, and shall –

7.3.5.1 supplement selected academic salaries, preferably via the beneficiary's payroll; and

7.3.5.2 be awarded to academics who pursue the objectives specified in clause 4.

7.3.6 Support grants may also be utilised for –



- 7.3.6.1 the establishment or temporary funding of additional academic posts by a beneficiary; provided that such posts are made in pursuance of the objects of this Deed; or
- 7.3.6.2 specific programmes identified by the founder, which a beneficiary cannot provide with its own financial resources.

7.4 **Bursaries**

Any bursary awarded by the Trust, must comply with the following conditions:

- 7.4.1 All bursaries must be *bona fide* and be granted to an individual on the grounds of objective merit, performance or need.
- 7.4.2 No bursary may:
- 7.4.2.1 be revocable, otherwise than for reasons of a material failure to conform to the designated purposes and conditions of the bursary;
- 7.4.2.2 be subject to conditions which would enable the donor of funds of that bursary or any connected person in relation to that donor, to derive some direct benefit from the application of that bursary; or
- 7.4.2.3 be granted to any person who is or will become an employee of the donor of the funds of the bursary or the Trust (or any associated institution in relation to that donor or the Trust) or any relative of that person, unless circumstances indicate that that bursary would have been granted to that person or his or her relative, even if that person had not been, or would not become, an employee of that donor, the Trust or associated institution.
- 7.4.3 All decisions regarding the granting of bursaries must be made by a duly constituted committee consisting of at least 3 (three) trustees who are not connected persons in relation to the donors or the person to whom the bursary is granted.
- 7.4.4 All bursaries granted by the Trust in respect of overseas study, research or teaching will be subject to an undertaking by the person to whom the bursary is granted –



- 7.4.4.1 to apply the knowledge obtained from the study, research or teaching immediately after completion thereof, in the Republic for a period of at least the period that the study, research or teaching was funded by the Trust, or some other lesser period as approved by the Trustees; or
- 7.4.4.2 to refund the full amount of the bursary should he or she decide not to apply the knowledge as contemplated in clause 7.4.4.1.

8. Trustees

8.1 Appointment

- 8.1.1 There shall be no fewer than 4 (four) and no more than 6 (six) trustees of the Trust.*
- 8.1.2 The founder shall appoint all of the trustees.*
- 8.1.3 The trustees shall be entitled to appoint further trustees from time to time and shall appoint such further trustees as may be directed by the founder.
- 8.1.4 The trustees may at no time be connected persons to each other within the meaning of the Act.
- 8.1.5 A trustee shall be entitled in writing to appoint any other person (including one of the other trustees) to act and vote on his/her behalf at all or any specified meetings of the trustees; provided that the person so appointed shall, if he is not one of the trustees, previously be approved of in writing by all of the other trustees.
- 8.1.6 Subject to clause **Error! Reference source not found.**, no trustee may serve as trustee of the Trust for more than 8 (eight) years.
- 8.1.7 The trustees shall conduct the affairs of the Trust in such manner so as not to compromise the Trust's status as a PBO.
- 8.1.8 The initial trustees are –
- 8.1.8.1 Garth Griffin;
- 8.1.8.2 Peter Raymond Doyle;



8.1.8.3 Stephen Handler; and

8.1.8.4 Wayne Dam.

8.2 **Chairperson and Deputy Chairperson**

8.2.1 The founder shall appoint the Chairperson from amongst the trustees appointed by it.

8.2.2 The Chairperson shall hold office for 2 (two) years and may be re-appointed to the position at the conclusion of any 2 (two)-year period.

8.2.3 The trustees may elect from amongst their members a Deputy Chairperson, who shall serve as Chairperson in the event that the Chairperson cannot fulfil his/her duties for any reason. The Deputy Chairperson shall have all the powers of the Chairperson during any period in which he/she is acting as Chairperson.

8.3 **Security dispensed with**

No trustee will be required to file security with the Master of the High Court, or any other competent authority, for the administration of the Trust. The provisions of this clause will also apply to a trustee who is not resident in South Africa.

8.4 **Disqualification of trustees and vacating of office**

8.4.1 The following people shall be disqualified from acting as trustees:

8.4.1.1 any trustee whose appointment is withdrawn by the person who appointed him/her;

8.4.1.2 any person who, for any reason, would be disqualified from acting as a director of a company;

8.4.1.3 a person whose estate has been sequestrated and has not been rehabilitated;

8.4.1.4 a person who has been found to be a lunatic or is of unsound mind or has been declared incapable of managing his/her affairs;



- 8.4.1.5 a person who has been convicted of any crime involving dishonesty;
- 8.4.1.6 a person who is disentitled in law to hold the office of trustee;
- 8.4.1.7 a person other than a natural person.
- 8.4.2 A trustee will vacate his/her office:
- 8.4.2.1 if he/she becomes disqualified in terms of clause 8.4.1;
- 8.4.2.2 if he/she files an application for the surrender of his/her estate, or an application for an administration order, or if he/she commits an act of insolvency as defined in South African insolvency law for the time being in force or if he/she makes any arrangements of compromise with his/her creditors;
- 8.4.2.3 if he/she resigns on written notice to the remaining trustees;
- 8.4.2.4 upon reaching the age of 70 (seventy), unless the remaining trustees expressly request such trustee to remain in office.

8.5 **Trustees' procedures and decisions**

- 8.5.1 The trustees may in administering the Trust, adopt such procedures and take such administrative steps as they deem fit, subject to their giving effect to the objects and provisions of this Deed.
- 8.5.2 The trustees may meet together for the despatch of business, adjourn and otherwise regulate their meetings, as they think fit; provided that the trustees meet at least once per annum; provided further that the trustees may meet by way of teleconference or videoconference.
- 8.5.3 Any trustee will be entitled at any time to summon a meeting of the trustees, on reasonable notice to the others.
- 8.5.4 Minutes of all meetings of the trustees must be kept in a minute book and safeguarded by the trustees.
- 8.5.5 A majority of the trustees in office shall constitute a quorum.



- 8.5.6 Decisions shall be taken by majority vote of the trustees present at a meeting. In the event of an equal vote, the Chairperson shall have the casting vote.
- 8.5.7 A written resolution signed by all the trustees, or their alternates, shall have the same effect as if passed at a meeting.
- 8.5.8 All contracts, deeds and other documents that must be signed on behalf of the Trust must be signed by the Chairperson and at least 1 (one) other trustee, duly authorised thereto by the trustees, or in such other manner as the trustees may from time to time decide.

8.6 **Powers of the trustees**

- 8.6.1 Subject always to the overriding intention to obtain and maintain the Trust's status as a PBO, and subject to specific provisions contained elsewhere in this Deed, the trustees shall have unfettered powers to perform any act in the pursuance of the objects of the Trust, including, without detracting from this general power and other powers granted elsewhere in this Deed, the power to:



- 8.6.1.1 accept donations or other contributions and maintain such cash balances in any bank account of the Trust as the trustees may in their sole discretion determine from time to time;
- 8.6.1.2 make such investments as they in their sole discretion from time to time determine;
- 8.6.1.3 make distributions of income and/or capital to any beneficiary in its capacity as a beneficiary as set out in this Deed;
- 8.6.1.4 employ and, if they see fit, act upon the advice of any investment advisor, and the trustees will not be responsible for any loss caused by reason of their having acted or failed to act upon the advice received from any such advisor;
- 8.6.1.5 pay out of the Trust assets the reasonable costs of administering the affairs of the Trust, including the amount of any tax for which the Trust may be liable from time to time;
- 8.6.1.6 borrow money for the purpose of discharging any liability of the Trust or acquisition of the Trust assets. As security for any borrowings, the trustees may use the Trust assets in any manner and on such terms as the trustees deem fit;
- 8.6.1.7 lease, rent or otherwise dispose of the Trust assets on any terms they deem fit;
- 8.6.1.8 use the Trust assets as security for any surety and/or co-principal debtor for the obligations of any person or Trust;
- 8.6.1.9 pay all liabilities of the Trust;
- 8.6.1.10 use any voting rights to shares held in Trust;
- 8.6.1.11 form companies, other Trusts and subscribe for shares;
- 8.6.1.12 employ accountants, attorneys, agents or brokers to transact all or any business of whatever nature required to be done pursuant to this Trust deed, and to pay all their fees, commission,



remunerations and other charges and expenses out of the Trust assets and any income accruing therefrom, and will not be responsible for the default of such accountants, attorneys, agents or brokers, or for any loss occasioned by such employment;

- 8.6.1.13 obtain such legal and other professional advice required by them from time to time at the cost of the Trust;
 - 8.6.1.14 institute or defend legal or other proceedings;
 - 8.6.1.15 accept and acquire for the purpose of the Trust any gifts, bequests or payments from any person as an addition to the Trust assets;
 - 8.6.1.16 register investments or other assets acquired by the Trust in the name of the Trust without specifically naming the trustees, or in the name of a nominee company, or in such manner as the trustees may deem expedient from time to time; and
 - 8.6.1.17 do anything else that the trustees may deem necessary in terms of this Trust and as approved in writing by the trustees.
- 8.6.2 The powers and authorities granted by the trustees in terms of this Trust Deed may be exercised by them in any part of the world.

8.7 **Statutory duties of the trustees**

- 8.7.1 The trustees are subject to the duties of a trustee in terms of the Trust Property Control Act, No. (Act No. 57 of 1988), including:
 - 8.7.1.1 to submit a signed copy of this Deed to the Master of the High Court;
 - 8.7.1.2 only to act as trustees after receipt of the Master's approval of their appointment;
 - 8.7.1.3 to immediately open a bank account in the name of the Trust and to deposit all Trust monies therein;
 - 8.7.1.4 to ensure the safekeeping of all the Trust assets and all title deeds and documents relating to the Trust;



- 8.7.1.5 to keep records of all financial matters, contracts, appointments and meetings, as well as other relevant matters;
- 8.7.1.6 to keep all Trust assets separate or to register them so that they may always be identified as Trust assets; and
- 8.7.1.7 not to withhold any Trust assets or income from the Trust and always to act with the fiduciary responsibility required of a trustee by law.

8.7.2 In the event that the Trust is approved as a PBO in terms of section 18A of the Act, the trustees shall do, or refrain from doing, as the case may be, all things necessary to maintain the Trust's status in this regard.

8.8 **Trustees' discretion**

The discretionary powers vested in the trustees in terms of this Deed will be complete and absolute. Any decisions made by them pursuant to such discretionary powers will be unchallengeable by any beneficiary or by any other person.

8.9 **Trustees' expenses and remuneration**

8.9.1 All reasonable costs and expenses incurred by the trustees in connection with the administration of the Trust or the exercise of their powers will be paid by the trustees out of the income and/or capital of the Trust, as decided by the trustees.

8.9.2 The remuneration, if any, of the trustees will be determined by the founder and paid by the Trust.

8.9.3 Any trustee being an attorney or accountant or other person engaged in any profession or business will be entitled to charge and be paid for all legitimate professional or other charges made by him/her or his/her firm for business done by him/her or his/her firm in relation to the execution of the terms of this Deed, whether or not such business required the employment of a person engaged in any such profession or business, including commission and/or brokerage, at the usual and normal rates applicable thereto.



8.10 **Books of account**

8.10.1 The trustees will keep true and correct records and books of account of their administration of the Trust, in such manner and form as is necessary to reflect fairly the position of the Trust at all times.

8.10.2 There will be recorded in such books and records –

8.10.2.1 any change of the Trust assets from time to time;

8.10.2.2 the income and all outgoings applicable to the administration of the Trust; and

8.10.2.3 the nature and full particulars of support grants made to beneficiaries.

8.10.3 The Trust's accounts shall be annually audited by the Auditors of the founder and the financial records maintained by the administrative office of the founder.

8.10.4 The trustees must open and operate one or more bank accounts in the name of the Trust and conduct the Trust's financial transactions by means of such bank account(s).

8.10.5 The Trust shall make available to the founder the audited accounts of the Trust on an annual basis, and shall provide an annual report on the financial position of the Trust to donors who have made a donation within the last 5 (five) financial years.

8.10.6 The financial year of the Trust is from 1 January to 31 December.

8.11 **Losses**

8.11.1 None of the trustees will be liable to make good any loss sustained by the Trust from any cause whatsoever, save for any loss as may arise from any act of dishonesty or gross negligence on the part of the trustee in question.

8.11.2 No trustee will be liable for such liability caused by any other trustee, unless he was a party thereto.



- 8.11.3 The trustees will at all times be deemed to have been indemnified out of the assets of the Trust against all claims and demands of whatever nature arising out of their exercise or purported exercise of any powers conferred under this Deed.

9. Protection of beneficiaries

- 9.1 The capital and/or income to which any beneficiary is or may be entitled under the provisions of this Trust Deed will not, prior to payment thereof by the trustees to such beneficiaries:

9.1.1 be capable of being ceded, assigned or pledged by such beneficiary, except with the prior written consent of the founder;

9.1.2 be attached by any creditor of such beneficiary or vest in his/her trustees on insolvency.

- 9.2 If, prior to the payment of any capital and/or income as aforesaid to any beneficiary:

9.2.1 he/she purports to or attempts to cede, assign or pledge such capital and/or income or any part thereof;

9.2.2 he/she commits or suffers any act, default or process of law whereby such capital and/or income, or any part thereof, would but for the provisions of this clause, become vested in or payable to any other person or persons; or

9.2.3 he/she is declared insolvent or assigns his/her estate for the benefit of his/her creditors,

then, and in each case, the right of that beneficiary to any capital and/or income under this Deed will cease and will in such event remain as a Trust asset to be dealt with by the trustees.

- 9.3 On the rehabilitation of that beneficiary or discharge of that beneficiary from insolvency or the ceasing of the possibility of attachment in question, the interest of that beneficiary may at the discretion of the trustees again be vested in that beneficiary and become fully operative in accordance with the provisions of this Deed.



10. Shareholding

Any shares held or acquired by the Trust may be registered in the name of the Trust or in the name of all or any of the trustees or in the name of any nominee of the trustees, who will hold such shares for and on behalf of the Trust and execute the customary Declaration of Trust in respect thereof. All votes attaching to any shares held by the Trust will be exercised on behalf of the Trust by such person (including any trustee) in such manner as the trustees will from time to time determine and to this end the trustees will be entitled to execute and grant such powers of attorney, proxies or other documents as will be necessary or requisite.

11. Amendment

This Deed may be amended at any time by agreement between the trustees and the founder; provided that such amendment must not affect the Trust's status as a PBO.

12. Applicable law

This Deed shall be interpreted and implemented in accordance with the laws of the Republic of South Africa; provided that the trustees may at any time determine that this Deed is to be interpreted and implemented according to the laws of any other country, in which event the trustees may make any appropriate amendments to the Deed for this purpose.

* Amendments to the original provisions.

