

**MINUTES OF THE 44TH ANNUAL GENERAL MEETING OF
THE INVESTMENT ANALYSTS SOCIETY
HELD ON MONDAY 24TH JUNE 2013 AT 13H00
AT THE JOHANNESBURG COUNTRY CLUB**

ATTENDING:

**MICHAEL BROWN (MB)
MARK INGHAM (MI)
CHRISTOPHER GILMOUR (CG)
PETER DU TOIT (PDT)
ARTHUR THOMPSON (ADT)
COR VAN ZYL (CVZ)
JACQUES THERON (JT)
MICHAEL COULSON
CLEM GOEMANS
RUBY ROSENBERG
ANDRE VAN DER VEER
MIYELANI MKHABELA**

APOLOGIES

**MARK HODGSON
FRANK REUVERS
JOHAN MARAIS
ANDY CLAY
KEITH MCLACHLAN
NERINA VISSER
SHEPHERD NCUBE (Late arrival)**

1. MINUTES

The minutes of the previous AGM held on 22 MAY 2012 had been placed on IAS website.
The meeting confirmed the minutes.

2. CHAIRPERSON'S REPORT

CHAIRMAN'S REPORT – For Year Ended 31 December 2012

REPORT OF THE CHAIR – MIKE BROWN

INTRODUCTION

This is the 44th Annual General Meeting of your Society and we are reporting on the activities of the Society for the year ended December 2012.

The IAS is an association that represents investment professionals in Southern Africa. Its affairs are managed by an Executive Committee, which meets formally at least once a month and Executive Committee members serve on a voluntary basis and give freely of their time and energy in representing the Society.

The Society is extremely fortunate to be able to call on an office run by our Executive Officer, Ann Marie Wood, who is responsible for the day to day functioning of the Society.

CORPORATE PRESENTATIONS

During calendar 2012, the Society hosted the following presentations by JSE listed companies to its members:

	2012	2011	2010	2009	2008	2007	2006
Johannesburg	129	126	92	118	120	114	100
Cape Town	88	89	76	81	75	78	56
Durban	7	5	5	4	4	4	4
Port Elizabeth	1	1	1	1	1	1	-
Totals	225	221	174	204	200	197	160

We have also actively encouraged publically listed companies to do presentations to the Society as soon as possible after release of their financial results and are pleased to say that this practice is becoming increasingly common and is looked at as a best practice by a number of companies that pride themselves in their corporate governance standards.

EXCELLENCE IN FINANCIAL REPORTING AND COMMUNICATIONS – ANNUAL AWARDS

We place a premium on the quality of company reporting to the investment community in general, and specifically, on communication with our members. Our annual “Best Communications and Reporting Awards” honours those companies that, in the considered opinion of our members, are most effective at this.

For the past number of years, the IAS has held an annual awards dinner for the “Excellence in Financial Reporting and Investor Communications”. On 12th June 2012, we held the 27th annual awards event in the form of a cocktail party at the JSE which was a great success, attended by business leaders and sector awards were handed out to 12 companies, DISCOVERY HOLDINGS LIMITED was the overall winner.

The survey for the 2013 Awards (covering the year to December 2012) was emailed to members and the results of this and the returns from members attending presentations was collated

Our 2012 / 2013 event also took the form of a cocktail party this year at the JSE on 11th June 2013. The function was well attended and MR PRICE GROUP LIMITED was the overall winner.

The winners of the current awards are all posted on our website (www.iassa.co.za)

EDUCATIONAL SEMINARS

We strive to bring to our members presentations that cover topical and educational subjects, and during 2012, in conjunction with CFA South Africa in certain cases, the following seminars were held in Johannesburg and Cape Town.

Webcasts	Johannesburg	3
Webcasts	Rondebosch	3
Webcasts	Belville	3
Annual CFA Conference	Johannesburg	1
Live Education Presentations	Johannesburg	2
Live Education Presentations	Cape Town	2

In addition, we are able to provide our members with electronic access to an article from each bi-monthly issue of the CFA Magazine.

Electronic access to the Journal of Investment Management (JOIM), a presentation similar to our Investment Analysts Journal, is also made available to our members; IAS members may additionally access a printed subscription at preferential rates

INVESTMENT ANALYSTS JOURNAL

Our journal remains the premier financial publication in South Africa for academic and practitioner papers. A significant portion of the credit for this must go to our hard working editorial team. And it is with sadness we advise of the passing of Professor Colin Firer who had been the editor for more than 20 years.

Heidi Raubenheimer who served as sub-editor and has taken the full editorial position and maintains a rigorous process and a high standard for which we are grateful.

Recent issues are available only on our website – no longer mailed.

To promote rigorous academic research within South Africa we offer an award, presented at our Awards event for the best article published in the Journal in the past year. Your society assumed full sponsorship of the award in line with encouraging financial research and the Society will provide a R25, 000.00 financial incentive to encourage this research.

Last year, the best paper was produced by Dr Heidi Raubenheimer and this year (2013), the winner was Dr Doojin Ryu, South Korea, the first time the award has been made to an international contributor.

ASSOCIATIONS

The Investment Analysts Society maintains and initiates associations with organisations which have common interests and from which our members are anticipated to derive value. The more important of these are:

- **CFA Institute**
CFA South Africa was established in November 2001 as a fully independent society. Our Society and CFA South Africa cooperate in matters that mutually benefit their memberships and the investment professional community in South Africa.
- **International Investment Societies**
Notwithstanding our association with CFA South Africa, we maintain our direct relationship with the CFA Institute. The IAS is also a member of the International Council of Investment Associations (ICIA).

SAMREC

The Society is represented on the SAMREC Committee and provides a joint award, with SAMREC, to a company making the best disclosure of Mineral Resources in its Financial Results. The award forms part of the Annual Awards Ceremony.

MEMBERSHIP FEES

The annual membership fees were increased from R600.00 to R650.00 (including VAT) for the current year.

FINANCIAL POSITION

The Society continued to have an operating surplus for the financial year ended 31 December 2012, which has been transferred to reserves. The total assets of the Society amounted to R2,68 million at the end of 2012.

MEMBERSHIP

As at 31 December 2012 the membership totaled 1705

PORTFOLIOS

The executive portfolios held at the end of the 2011 year are as follows:

Chair	M F Brown
Deputy Chair	M H Ingham
Treasurer	C J P G Van Zyl
Committee Member	P R Du Toit
Committee Member	P M M Hodgson
Committee Member	A D Thompson
Committee Member	C G Gilmour
Committee Member	J W Theron
Executive Officer	A M Wood
The following persons are acknowledged as having rendered valuable services to IAS:	
Auditor	Hennie Russouw
SAMREC	Andy Clay

In conclusion, the IAS remains a vibrant, relevant and financially sound Society. My thanks to the Executive Committee of the Society for their support. To Cor van Zyl, the current Treasurer and Mark Hodgson, who was Treasurer for a number of years, before resigning from the post this year, my appreciation for their vigilant control of the Society's finances.

Finally, may I express my sincere thanks to Ann Marie Wood, our Chief Executive and to her staff for their valuable contributions to the administration of the Society. On that note I submit my Chair's Report for adoption.

PROPOSED MICHAEL COULSON
SECOND COR VAN ZYL

3. FINANCIALS

An audited and signed Copy of the Society Financials to December 2013 were made available to the meeting. This showed the Society's finances were sound and in good shape.

The following questions were raised:

Ruby Rosenberg – referring to Page 10 of the Financials

He noticed that the Cash holdings were heavily weighted against the Satrix investment which was showing a higher return. CVZ stated that the intended ratio would be 40% (equities) – 60% (cash) and that the Investment Committee of the Society reviewed the situation regularly

Clem Goemans – Income statement

Commented on the increase in the awards event expenses and it was explained that the 2012/3 event had no sponsorship and that marketing expenses had been included in the awards expenses for 2012 and not shown separately as in previous financial years.

Miyelani Mkhabela stated that corporate sponsorship could be sought but the Chairman explained that although sponsorship was welcomed – this had to be come from a neutral party as winners came from the corporate environment

It was stated that should members require a copy of 2012 Annual Financial Statements they are available from Ann Marie Wood.

PROPOSED CLEM GOEMANS
SECONDED RUBY ROSENBERG

4. CONFIRMING ELECTION OF AUDITORS

The meeting was asked to confirm the appointment of Ransome Russouw as auditors
The executive committee was given authority to approve the audit fee and expenses for 2013.

PROPOSED RUBY ROSENBERG
CONFIRMED CLEM GOEMANS

5. THE ELECTION OF OFFICE BEARERS

5.1 To elect four members of the Executive Committee in place of

PR DU TOIT
MF BROWN
MH HODGSON
J W THERON

The above retire by rotation but, are eligible, and offer themselves for re-election

The remaining members of the Executive Committee are –

AD THOMPSON
MN INGHAM
C G GILMOUR
CJPG VAN ZYL

5.2 To accept the resignation of to the committee of –

NANCY CHADEHUMBE

It was noted that Nancy Chadehumbe had been past Chair and was thanked for her efforts.

The Constitution allows the Committee to have 15 members – with the re-election this will bring the total to 8

PROPOSED MICHAEL COULSON

SECONDED RUBY ROSENBERG

6. APPROVAL OF MEMORANDUM OF INCORPORATION (MOI)

A copy of the MOI was distributed to the meeting. The Chairman explained that due to the Companies Act that we were now obliged to register the Society as an NPC and we had taken legal advice in submitting the relevant documentation. The name had been approved by CIPRO as INVESTMENT ANALYSTS SOCIETY OF SOUTH AFRICA. The Society's Constitution was incorporated in the MOI. Ruby Rosenberg asked if there were any change of significance in the Constitution and the Chairman had advised that there were none. Miyelani Mkhabela asked whether the name should not read SOUTHERN AFRICA in an outreach to SADC countries.

The Chairman advised that the SOUTH AFRICA name had been accepted by Cipro – even although the SOUTHERN AFRICAN name had been our first choice. He stated that membership was available to non South Africans, provided they met membership requirements, and in fact we had a few members from neighbouring states. Mr Mkhabela also touched on the mention of ‘branches’ and it was advised that there were no branches at present with only the single registered Randburg Office but we were in a position to establish branches should we so wish.

The meeting resolved that:

- It unanimously agreed to the adoption of the MOI
- The Executive Committee of the IAS be authorised to finalise any details and arrangements required to be registered by CIPRO, with the approved Memorandum of Incorporation.

7. GENERAL

Samval/Samrec

Andy Clay apologised that he had not been able to attend the meeting and as Arthur Thompson and Mark Ingham were on the subcommittee with Andy Clay, ADT had been asked to touch on this subject. Comments from Andy Clay were as follows:

IMVAL CODE – in process and moving forward at its own pace

SAMVAL CODE – moving forward slowly

REGISTERED PERSONS (Mineral Valuation and analysis, competent persons, etc) with the JSE and Listing Requirements. Progressing slowly

The meeting ended with thanks to the Committee members, IAS Staff and the Chief Executive.