

# The constitution of the Senate Group

## 1 Objectives

1. The objectives of the Senate Group are as follows;
2. To enhance the knowledge base of each member through internal and external group interaction.
3. To foster camaraderie and fellowship.
4. To improve the image of the members through their group membership
5. To offer each other assistance
6. To provide for representation on behalf of members

## 2 The structure of the club

### 2.1 Management

- 2.1.1 **The chairman** is elected and serves as a ceremonial figurehead and conference presiding officer. The chairman serves a term of two years, and may not be chairman again for a period of two years.
- 2.1.2 The **deputy chairman** is elected at the same time, and takes over the chairmanship at the end of the chairman's term, at which time; a new deputy chairman is elected.
- 2.1.3 **Elections** are held at the end of the first conference of the year in which they are due.
- 2.1.4 The **joint conference convenors** for the year are appointed at the last conference of the preceding year, and are appointed for each conference of the year. It is the convenors prerogative to invite paying and non-paying speakers, as well as members, to present to the forum.
- 2.1.5 The **secretary and treasurer** will also be appointed for a two year period, and they may serve for an unrestricted period.
- 2.1.6 The **constitution** may only be varied by a unanimous decision of a meeting with a quorum.
- 2.1.7 A **quorum** is constituted by 75% of the membership.

## 3 Membership

### 3.1 Criteria

- 3.1.1 The proposed member must be an independent financial advisor and own at least 26% of his business entity.
- 3.1.2 The proposed member must be licensed to operate as an IFA by the FSB and comply with all statutory requirements.
- 3.1.3 He must be compatible with the other members.
- 3.1.4 Membership must take regional representation into account.
- 3.1.5 The proposed member must have an unblemished ethical record in the industry and a clear criminal record.

3.1.6 A member that does not comply with all the above ownership and licensing requirements may still retain ancillary membership subject to:

- 3.1.6.1 A unanimous decision taken at a valid meeting every election year.
- 3.1.6.2 An ineligibility to hold any office in the group
- 3.1.6.3 May not vote and does not form part of the quorum
- 3.1.6.4 Complies with all the financial and other requirements.

### **3.2 Method of introduction**

- 3.2.1 The proposer will give notice of intent to the chairman of his intention to introduce a prospective member.
- 3.2.2 The chairman, vice chairman and proposer will then meet with the prospective member at a place and time to suit all concerned and assess the suitability of the prospective member.
- 3.2.3 The members CV must then be circulated to all the members by e-mail.
- 3.2.4 Should the prospective member fit the proverbial mould, he will then be invited to attend the first day of the following conference and evening function to better acquaint himself with the members, and vice versa.
- 3.2.5 The entire membership will then vote on the issue of his or her membership in a *secret* ballot.
- 3.2.6 The proposer will then inform the member of the decision, and the chairman will officially welcome the new member at the following conference.
- 3.2.7 The new member must pay all equalisation and regular fees prior to the following conference and the treasurer must issue the appropriate invoice and statement.

### **3.3 Ongoing membership requirements**

- 3.3.1 Members must attend at least two of the 3 conferences per year unless special permission is granted by the chairman, and then only under exceptional circumstances.
- 3.3.2 The member must be a fully paid up member to attend conferences.
- 3.3.3 The member must contribute to the intellectual discussion and must participate through regular Power hour contributions, but not less than once every two years.

### **3.4 Termination of membership**

- 3.4.1 A member that does not comply with any of the above initial and ongoing provisions stated, will be served notice of suspension and must within 30 days offer written substantiation on why the suspension should not lead to expulsion with the commensurate loss of the capital equalization fund. This is subject to the invocation of clause 3.1.6 above.
- 3.4.2 A member who is under investigation by any organ of state, or Industry overseer, must as a matter of course apply for leave of absence which will endure at least until a positive outcome has been attained.
- 3.4.3 A member who is no longer a practising advisor or who loses his independence as previously defined must inform the chairman of his changed status. The chairman will then arrange for a reasonable period of severance. Such a person will be entitled to the value of his then current equalization fund.
- 3.4.4 Any member may resign at will and will be entitled to his then current capital value.

## **4 Financial**

- 4.1 Membership fees are payable as determined by the members at the first conference annually.
- 4.2 The capital equalisation fund is the excess amount of capital that accrues to the individual members, and needs to be matched by new members entering the club.
- 4.3 Sponsorship is the main source of conference funding, and must be a consideration when co-ordinating conferences. This however is only one of many considerations.
- 4.4 The signatories to the bank accounts will always be the Chairman or the Vice Chairman **and** the treasurer. There must always be two signatures for amounts in excess of R10 000 and cheques may not be signed blank. For amounts R10 000 and below, any one of the above signatures shall suffice.
- 4.5 Financial statements must be presented to every conference and audited by at least an external accountant annually at yearend.

## **5 Ratification**

The constitution was ratified at the second meeting of Two Thousand and Five, on the 29 July, by a quorum of Members and by a unanimous decision.