

MINUTES OF THE ANNUAL GENERAL MEETING OF 2018

The Annual General Meeting of the Southern African Gas Association was held on 12 October 2018 at the SAGA Office, 27 Princes Avenue, Windsor West, Randburg

The meeting commenced at 09:08

WELCOME

The Chairman welcomed all the members and thanked them for attending. It was duly confirmed that all members received the AGM notice within the required time and the pack for download.

The members were duly reminded of SAGA's Anti-Trust Policy and Meeting Rules to which every member in attendance needs to abide during the AGM.

ATTENDANCE, PROXIES AND QUORUM

Present: 20 members attended (as per attendance register)

Apologies: 2 apologies received (Grant Renecke & Grant Douglas)

Proxies: 8 proxies received for which proxy forms were open for inspection. Proxies accepted by the AGM. Votes per proxy: 5 proxy's voting in favour for columns provided 3 open for voting by the proxy holder.

Quorum: A quorum of 28 members was established through 20 members in attendance and 8 by proxies. A quorum of 16 members in attendance and by proxy's is required. The Chairman declared the meeting duly constituted. The motion is passed unanimously.

NOTICE OF MEETING

Notice of the Annual General Meeting 2018 and documentation in the AGM pack as provided is taken as read by all. The motion is passed unanimously.

CONFIRMATION OF MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING

Previous minutes of the meeting held on 13 October 2017 was reviewed and accepted as a true reflection of proceedings and confirmed. The motion is passed unanimously.

The minutes were duly signed by the Chairman in the presence of the AGM members.

MATTER ARISING FROM THE PREVIOUS MINUTES

There were no matters arising from the previous minutes.

CONFIRMATION OF CHAIRMAN'S REPORT

The Chairman's report was provided to all members prior to the meeting and was confirmed as read by all members.

Highlighting a few aspects...

The association remains aligned to its vision, mission, goals, objectives and strategy.

The gas practitioner occupational certifications have been concluded and will next enter the public comments phase. This qualification will realise a career path for new entrants to the gas market. There will now be three separate qualifications, namely:

- a. Industrial Thermoprocessing Gas Practitioner (NQF 5) which encompasses industrial design
- b. Industrial Thermoprocessing Gas Technician (NQF 4)
- c. Commercial Natural Gas Practitioner (NQF 3) which includes ONE part qualification, namely
 - i. Domestic Natural Gas Practitioner (NQF 3)

SANS 329 working group has recommended that the current adoption of the following ISO standards should replace the entire SANS 329:

- ISO 13577-1 (Identical as SANS 13577-1/ISO 13577-1); Industrial furnaces and associated processing equipment -- Safety -- Part 1: General requirements
- ISO 13577-2 (Modified as SANS 13577-2); Industrial furnaces and associated processing equipment -- Safety -- Part 2: Combustion and fuel handling systems
- ISO 13577-4 (Identical SANS 13577-4/ISO 13577-4); Industrial furnace and associated processing equipment -- Safety -- Part 4: Protective systems

The working group further indicated that the PER is currently under revision, therefore the proposal will also be tabled at that level for replacing references to SANS 329

New programs logged with SABS for the Installation of pipes and appliances in flats and multi dwellings and industrial generated off gases was explained to the members and was requested should members be interested in attending these working group sessions to ensure wider industry participation and knowledge sharing.

The Chairman's report as confirmed was adopted unanimously.

CONFIRMATION OF THE ANNUAL FINANCIAL STATEMENTS ENDING 30 JUNE 2018

SAGA continues to maintain sound growth initiatives and is in good financial stead maintaining a healthy balance sheet with secure financial reserves.

During the year the company incurred a net surplus of R308,260.00 compared to previous year surplus of R702,148.00

The company's cash flow remained healthy with the cash resources (cash & cash equivalents) at the end of the year amounting to R4,747,485.00 compared to previous year of R3,969,702.00. No bad debt for FY18.

A provision has been made for pre-paid registrations for the amount of R54,131.00. This provision is managed on a monthly basis as part of the registration process and these monies have been secured in a separate savings account for control purposes and correct financial reporting. High provision due to high wind falls of training over the June/July period. A provision was also made for claiming of disbursements as to legal costs expensed with the name change and Company Tribunal process.

There were no further comments or enquiries on the Annual Financial Statements.

The AFS was confirmed and the Chairman declared the motion carried unanimously.

BUDGET 2018

High-level budget for 2019 was presented by the Chairman. Training is still biggest income for SAGA.

The budget for 2018/2019 was approved on a Board of Directors meeting of 18 July 2018.

There were no further comments or enquiries on the Budget for 2019.

APPOINTMENT OF AUDITORS FOR THE ENSUING YEAR

SAGA informed the members that RK Accountants is the current auditor and satisfied with their services.

The appointment of the auditor for the ensuing year was passed and the Chairman declared the motion carried unanimously.

ELECTION OF DIRECTORS

Memorandum of Incorporation (MOI) states that the longest standing directors after 3 years must stand down but can be available for re-election. Two directors Eddie Cooke and Grant Renecke retired but made themselves available for re-election for another 3 years. The re-appointment of both the directors was unanimous.

Members were welcome to nominate persons to serve as Directors. There being no nominations for additional directors the current directors will continue for the ensuing year.

ELECTION OF COMMITTEE MEMBERS FOR THE ENSUING YEAR

The election of committee members was addressed and the Chairman requested nominations from the members to participate in the following board committees:

- Training and Competence
- Safe Gas Equipment Scheme
- STAC

A SAGA Director will attend the committee meetings to ensure intent and purpose thereof is maintained and ensured.

SAGA only received nominees for the following committees:

- Training and Competence (AJ de Wet & Andries Henning)
- Safe Gas Equipment Scheme (Stephan Ceronio)

POINTS FOR DISCUSSION

- **Companies selling combustion equipment without SGES certificates**

Members seek recourse if equipment, imported and supplied to market, is not registered with the SGES and not in possession of a permit. The Chairman explained the process of registration and the importance of the respective gate keepers nl. the providers of product (Sasol, Egoli, SLG, VGN, Novo et al) and gas practitioners to ensure equipment have permits. SAGA informed the members that the challenge in the market is reaching end users and SAGA amongst other industry stakeholders needs to educate and make end users, as another gate keeper, aware of their responsibility and obligations as to compliance. The gas practitioner ultimately due to signing of the installation via CoC needs to ensure compliance to regulations, in this case SGES certificates, and where non-compliance exists, inform SAGA accordingly.

- **Non-conforming installations**

TCG enquired from SAGA as to a system to report non-conforming installations. SAGA has a system to deal with non-conformances. SAGA does not act on perceptions, accusations or allegations; therefore the importance of providing substantive evidence of any non-conformance is vital to any investigation. Once evidence has been submitted, an investigation will proceed and formally recorded. SAGA cannot issue contravention or prohibition orders; these are issued by the Department of Labour Inspectors. But SAGA and Department of Labour Inspectors work in conjunction with one another to ensure non-conforming installations are addressed and appropriate corrective action brought to the attention of the end user.

VOTE OF THANKS

The Chairman thanked members for attending the AGM and for their continued support of the current Board of Directors in managing the Association.

CLOSURE OF THE ANNUAL GENERAL MEETING

The formal proceedings were concluded in accordance with AGM proceedings as per the Company Act and MOI.

It is hereby duly recorded that all matters of compliance and matters raised by members were confirmed and fixed in the agenda and duly discussed.

There being no further business the Chairman declared the meeting closed at 10:31am

Signed as a correct and complete record of proceedings of the meeting.

Roy Lubbe
Chairman
Southern African Gas Association

Date