



CONSTITUTION OF THE PAYMENT SYSTEM STAKEHOLDER FORUM

Preamble

Initially the South African Reserve Bank (SARB) as overseer of the payment system facilitated the formation of the AEDO & NAEDO Payment Streams to promote fair access to the National Payment System (NPS) for stakeholders who offer services of variable nature, including services that are time sensitive with regard to the collecting and fate (outcome) of debits processed.

The stakeholders, under the said facilitation of the SARB, agreed to create an association to assist in ensuring that the principles and undertakings agreed to regarding the collection of payments through the NPS Payment Streams are appropriately implemented and managed.

With the progression of time, the stakeholders as well as the SARB identified that the association should change its focus from collections in the early debit streams to that of all existing and new payment streams and/or initiatives in the NPS.

This is the Constitution of the Payment System Stakeholders Forum (PSSF) to enable such a wider focus and PSSF Membership for the PSSF.

1. NAME

The name of the Association is the "Payment System Stakeholder Forum", hereinafter referred to as "the PSSF".

2. INTERPRETATION

In this Constitution:

- 2.1 any application, approval, notice or proof referred to or required in terms of this Constitution must be in Writing;

- 2.2 any notice referred to in this Constitution required to be served shall be deemed to be properly served if addressed to the email address nominated by the PSSF Member and if no delivery failure was received, or if addressed by registered mail to the address nominated by the Member if no email address was supplied;
- 2.3 any reference in this Constitution requiring an action or imposing an obligation on a member of PASA shall be referred to and addressed to PASA;
- 2.4 any reference in this Constitution, and unless a contrary intention clearly appears, words importing –
- 2.4.1 the singular include plural and *vice versa*; and
- 2.4.2 natural persons include created entities (corporate or unincorporated) and *vice versa*;
- 2.5 words and expressions other than those defined in this Constitution will be interpreted as defined in the NPS Act and/or SARB directives (as applicable), whilst those terms, acronyms and phrases known in the payments or technology industries will be interpreted as such or else will be given their plain English meaning; and
- 2.6 unless otherwise specified or the context clearly indicates the contrary, the following words and expressions shall have the meanings assigned to them below:
- 2.6.1 **“Access Criteria”** – means access criteria for AEDO and NAEDO established in terms of Section 6A(3) of the NPS Act by the PCH Participants, from time to time;
- 2.6.2 **“AGM”** – means the annual general meeting of PSSF Members, convened in accordance with the provisions of this Constitution;
- 2.6.3 **“Beneficiaries”** – means those persons in the NPS who, subject to the criteria and rules of the applicable payment stream, are entitled to the benefit of payments made, that:
- 2.6.3.1 were received pursuant to the presentment of payment instructions on behalf of the Payer to the applicable PCH Participants by those persons; or
- 2.6.3.2 were received directly from Payers by those persons;

and includes **Beneficiary Service Providers**. The term "Beneficiary" shall have a similar meaning and, depending on the context, refer to any one of the persons listed above;

- 2.6.4 **"Beneficiary Service Provider(s)"** means a person who accepts money or the proceeds of payment instructions, as a regular feature of that person's business, from multiple Payers on behalf of a Beneficiary, as set out and defined in SARB Directive 1 of 2007;
- 2.6.5 **"Business Day"** – means any day other than a Saturday, Sunday or an official public holiday in the Republic of South Africa;
- 2.6.6 **"Businesses"** – means collectively Beneficiaries and Payers and the term "Business" shall have a corresponding meaning;
- 2.6.7 **"Collections"** – means the presentation by Beneficiaries of instructions for payment, as authorised by Payers, to PCH Participants;
- 2.6.8 **"Collection Services"** – means the enabling of Collections, as a service, to PSSF Businesses by PCH Participants and / or PSSF System Operators and / or system operators (acting as technical service provider agents of PSSF Businesses);
- 2.6.9 **"Data Custodian"** – means the person or body designated by the PSSF Steerco from time to time to serve as the custodian of the PSSF information and data recorded in the index of PSSF Members as well as such other information and data as determined by the PSSF Steerco from time to time;
- 2.6.10 **"General Meeting"** – means a general meeting of the PSSF Members, called in accordance with the provisions of this Constitution, and the term **"General Meetings"** shall have a corresponding meaning;
- 2.6.11 **"Industry"** – means those Beneficiaries and/or Payers in the NPS who can logically be grouped together due to the similarity of their underlying products and / or services offered or due to similar kinds of business operations conducted;

- 2.6.12 **"Invited PSSF Members"** – means any person or body who obtained PSSF Membership through invitation by the PSSF Steerco in accordance with the provisions of this Constitution, in particular Article 8.3.3;
- 2.6.13 **"Non-compliant Beneficiaries"** – means those persons doing Collections in those Payment Streams where Beneficiaries are required by the rules of PCH Participants to be a PSSF Member without being a PSSF Member or their appointed Beneficiary Service Providers¹ (if any);
- 2.6.14 **"NPS"** – means the National Payment System, which consists of those systems that enable payments to be effected or money to be circulated, including the instruments and procedures that relate thereto, as managed in terms of the NPS Act;
- 2.6.15 **"NPS Act"** – means the National Payment Systems Act (Act no. 78 of 1998);
- 2.6.16 **"PASA"** – means the Payments Association of South Africa, a payment system management body recognised by the SARB in terms of Section 3(1) of the NPS Act;
- 2.6.17 **"Payers"** – means those persons in the NPS who are making payments, subject to the criteria and rules of the applicable Payment Stream;
- 2.6.18 **"Payer Service Provider(s)"** – means a person who accepts money or the proceeds of payment instructions, as a regular feature of that person's business, from a Payer to make payment on behalf of that Payer to multiple beneficiaries, as set out and defined in SARB Directive 1 of 2007;
- 2.6.19 **"Payments"** – means money or the proceeds of payment instructions always flowing from Payers to Beneficiaries;
- 2.6.20 **"Payment Services"** - means subject to the criteria and rules of the applicable payment stream, the rendering of services to Beneficiaries and/or Payers, enabling them to:

¹ **NOTE: A Beneficiary Service Provider, in terms of the SARB directives 1 of 2007 and 2 of 2007** "Beneficiary service provider" means a person who accepts money or the proceeds of payment instructions, as a regular feature of that person's business, from multiple payers on behalf of a beneficiary; **AND FURTHER** ensure that it is appointed as an agent of each beneficiary when acting as beneficiary service provider, **Because it acts as agent of a beneficiary, if the principal beneficiary is noncompliant, the BSP is (as agent for that Beneficiary) also noncompliant.**

- 2.6.20.1 present payment instructions (still to be paid), to applicable PCH Participants for payment; or
- 2.6.20.2 make payments;
- 2.6.21 **"Payment Stream"** – means the payment streams governed by any Payment Clearing House Agreement ("PCH Agreement");
- 2.6.22 **"PCH Participants"** – means those PASA Members participating in any PASA Payment Clearing House ("PCH");
- 2.6.23 **"PSSF Associations"** – means collectively all associations that are PSSF Members, including PSSF Business Associations and PSSF System Operator Associations;
- 2.6.24 **"PSSF Business Associations"** – means associations that are PSSF Members, that were established by Businesses;
- 2.6.25 **"PSSF Businesses"** – means Businesses that are PSSF Members;
- 2.6.26 **"PSSF Members"** – means collectively all PSSF Members, including PSSF Businesses, PSSF Business Associations, PSSF System Operators and PSSF System Operator Associations;
- 2.6.27 **"PSSF Membership Subscriptions"**- means such fees or subscriptions payable by PSSF Members to the PSSF, consisting of any or a combination of application fees, annual registration fees and other usage fees, as determined by the PSSF Steerco from time to time;
- 2.6.28 **"PSSF System Operator Associations"** – means associations that are PSSF Members, that were established by System Operators;
- 2.6.29 **"PSSF System Operators"** – means System Operators (including those also acting as Beneficiary Service Providers or Payer Service Providers) that are PSSF Members and offers Services to PSSF Members;
- 2.6.30 **"PSSF Rules"** – means the Rules formalised from time to time by the PSSF Steerco in terms of Article 14 of this Constitution and, once published, is

enforceable in terms of this Constitution. If a rule is in conflict with the Constitution the Constitution will prevail;

- 2.6.31 **"PSSF Steerco"** – means the steering committee of the PSSF;
- 2.6.32 **"PSSF Steerco Member"** – means the members of the PSSF Steerco, comprising the elected office bearers, the elected representatives of the PSSF Members entitled to be represented on the PSSF Steerco as well as non-PSSF Members that are entitled to participate in PSSF Steerco meetings in terms of this Constitution, represented by their duly elected representatives where applicable;
- 2.6.33 **"Regulatory Environment"** - means the legal and regulatory environment created by:-
 - 2.6.33.1 PASA's PCH Agreements, Clearing Rules and requirements; and
 - 2.6.33.2 SARB's Directives, Criteria and requirements; and
 - 2.6.33.3 PSSF's Rules;
- 2.6.34 **"SARB"** – means the South African Reserve Bank, as defined in the NPS Act;
- 2.6.35 **"Services"** – means Collection Services and Payment Services collectively;
- 2.6.36 **"System Operators"** also known as "Service Providers" in the NPS – means persons as set out and defined in the SARB Directive 1 of 2007 and SARB Directive 2 of 2007;
- 2.6.37 **"Writing"** – means legible writing in English and includes any form of electronic communication contemplated in the South African Electronic Communications and Transactions Act (Act no. 25 of 2002) (as amended from time to time), and the word "Written" shall have a corresponding meaning.

3. OBJECTIVES

The objectives of the PSSF shall be:

- 3.1 to function as a forum for PSSF Members to discuss and identify matters of concern and requirements to be met by Payment Streams, on a co-ordinated basis;

- 3.2 to monitor and manage inappropriate conduct of PSSF Members in Payment Streams as well as to monitor and report on other persons that operate in Payment Streams outside the Regulatory Environment;
- 3.3 to facilitate the acceptance of persons, eligible to participate in Payment Streams, as PSSF Members;
- 3.4 to participate, subject to such terms and conditions as may be prescribed by the SARB, in a Payment System Advisory Body established by the SARB for the purpose, *inter alia*, of facilitating the exercise by the SARB of its oversight of the NPS and implementation of its strategic policy of broadening access to the NPS. The PSSF recognises the SARB's mandate to oversee the NPS and all participants therein and the role of PASA as payment system management body to facilitate such oversight and to manage risk in the NPS through self-regulation;
- 3.5 to provide advice and information, on a co-ordinated basis, to the PSSF Membership and PCH Participants with regard to the needs of PSSF Members in the various Industries participating in Payment Streams while acknowledging PASA's position and authority as the payment system management body recognised by the SARB in terms of Section 3(1) of the NPS Act;
- 3.6 to co-ordinate and foster dialogue and co-operation between PSSF Members, PASA PCH Participants and their appointed PCH System Operator in order to find acceptable solutions for the needs of those PSSF Members, under the SARB oversight, of reputational and other risks that may arise in the NPS as a result of unacceptable market practices of PSSF Members;
- 3.7 to facilitate limitation and management of risk resulting from access to and use of the NPS, by managing any PSSF Member that is identified as being delinquent via the processes of the PSSF and where necessary to apply appropriate sanctions against any such PSSF Member;
- 3.8 to enforce the Regulatory Environment amongst PSSF Members and to advise PASA of suspension of any PSSF Members as a result of non-compliance of any PSSF Member;
- 3.9 to monitor, manage and sanction PSSF Members abusing Payments, thus assisting PCH Participants to protect the integrity of the NPS;

- 3.10 to generally promote responsible behaviour by PSSF Members as well as to create a sound working relationship between PASA, PCH Participants, the PSSF and PSSF Members.

4. **REALISATION OF OBJECTIVES**

The PSSF will strive to achieve its objectives by:

- 4.1 Facilitating the registration of Business associations and System Operator associations as PSSF Members;
- 4.2 facilitating the registration of each Business as a PSSF Member;
- 4.3 facilitating the implementation and maintenance of a PSSF Member index reflecting such PSSF Member's membership status with the PSSF, including a database of information required for the management of the affairs of the PSSF and PSSF Members and by implementing measures to ensure that all PSSF Members participating in Payment Streams are reflected on such index;
- 4.4 regular liaison through the PSSF Steerco, as constituted in terms of Article 13 below, with other persons and bodies known to have particular skills, knowledge or expertise related to Services, and other regulators or overseers, including any Payment System Advisory Board established by the SARB, the National Credit Regulator, the Financial Services Board, PASA and PCH Participants that are active in the NPS;
- 4.5 conducting and facilitating workshops amongst the PSSF Members, PASA and PCH Participants to discuss their particular needs or differentials and to devise suggested practical solutions that respond to such needs or resolve such differentials;
- 4.6 facilitating the circulation of written material to educate and inform the PSSF Members regarding acceptable standards of conduct as described in the Regulatory Environment for reduction of risk in the NPS;
- 4.7 facilitating co-operation amongst PSSF System Operators and PCH Participants in order to ensure compliance to the Regulatory Environment;
- 4.8 issuing PSSF Rules to PSSF Members;

- 4.9 generally doing all things necessary or desirable to achieve, or to work towards achieving, its objectives efficiently and effectively; and
- 4.10 levying PSSF Membership Subscriptions.

5. **LEGAL NATURE**

The PSSF is a voluntary association with its own legal personality and shall exist and continue to exist in its own right, separately from PSSF Members, notwithstanding any change in PSSF Membership or office bearers. As such, the PSSF shall be liable for its own obligations and may sue and be sued in its own name in any court of law. No PSSF Member, their representatives or office bearers of the PSSF shall be personally liable for any claim against or debt or liability of the PSSF solely as a result of their involvement with the PSSF.

6. **GENERAL POWERS**

The PSSF shall be entitled to:

- 6.1 levy PSSF Membership Subscriptions and acquire and dispose of assets and property of any kind. The acquisition and disposal of immovable property shall, however, be subject to the approval of a majority of PSSF Members present and entitled to vote at a duly constituted General Meeting;
- 6.2 raise loans and borrow money on such terms and conditions as may be approved by PSSF Members entitled to vote at a duly constituted General Meeting;
- 6.3 enter into such arrangements with appropriate authorities as it may deem necessary to achieve its objects and to obtain from such authorities any rights, privileges and concessions which it may deem advisable to obtain, and to apply to any authority to authorise its actions to facilitate the achievement of its objectives;
- 6.4 subscribe, administer and invest its funds in:
 - 6.4.1 any recognised banking, trust or other financial institution;
 - 6.4.2 the purchase of land, buildings and all kinds and descriptions of movable and immovable property, and in savings accounts and fixed deposits, with specific power to sell, lease, mortgage, dispose of, give in exchange, work, develop,

build, improve, turn to account and deal with all or any part of its property and / or rights;

- 6.4.3 invest and deal with any of its monies not immediately required for carrying on its business, in such securities and in such manner as may from time to time be determined by the PSSF Steerco, and to realise, vary, reinvest or otherwise deal with such securities;
- 6.4.4 draw, make, accept, endorse, discount, execute and open and operate banking and other accounts in its name. Cheques, withdrawal slips or electronic payments shall be executed by the authorised signatories nominated by the PSSF Steerco from time to time;
- 6.5 delegate, through the appointment of any persons or third parties, any obligation or function required to be performed; amongst other with regard to the accumulation of information regarding Businesses and their business operations;
- 6.6 appoint any properly skilled employees or consultants required on a permanent and / or a fixed term basis that are required at any time for the performance of any functions of the PSSF and the exercise of its rights or performance of its obligations;
- 6.7 do all such other things as are incidental or conducive to the attainment of its objectives.

7. RESTRICTION OF POWERS

- 7.1 Notwithstanding anything to the contrary herein contained:
 - 7.1.1 no decision or instruction of the PSSF shall have the effect of changing or rescinding any law, regulation, decision or directive of any regulatory body having jurisdiction over any of the PSSF Members and members of PASA. Any decision or rule of the PSSF shall be deemed to be subject to the provisions of such law and / or the regulations, decisions or directives of such regulatory body;
 - 7.1.2 no provision of this Constitution or of any rule of conduct, or of any admission criteria determined in terms hereof, shall be enforceable unless such provision, rule or criteria is fair, equitable and transparent. Where any such provision, rule

or criteria is alleged by any participant in the NPS not to be fair, equitable and / or transparent, the adjudication of the matter will be referred to the SARB, whose decision shall be final and binding on all affected parties. The SARB may in its sole discretion decide whether such provision, rule or criteria shall be deemed to be fair, equitable and transparent for the reason that such rules or criteria is in the national interest and appropriate for the management of risk in the NPS.

- 7.2 To the extent that the PSSF is approved by the South African Revenue Services in accordance with the Minister of Finance's Regulations applicable to Section 10(1)(d) organisation and as contemplated in Section 30B of the Income Tax Act, as amended –
- 7.2.1 The PSSF Steerco will consist of at least 3 (three) persons, who are not connected persons in relation to each other, to accept the fiduciary responsibility of the PSSF;
 - 7.2.2 No single person will directly or indirectly control the decision-making powers relating to the PSSF;
 - 7.2.3 The PSSF will not directly or indirectly distribute any of its funds or assets to any person other than in the course of furthering its objectives;
 - 7.2.4 The PSSF will utilise substantially the whole of its funds for the sole or principal object for which it has been established;
 - 7.2.5 No member will directly or indirectly have any personal or private interest in the PSSF;
 - 7.2.6 Substantially the whole of the activities of the PSSF will be directed to the furtherance of its sole or principal object and not for the specific benefit of an individual member or minority group;
 - 7.2.7 The PSSF will not have a share or other interest in any business, profession or occupation which is carried on by PSSF Members;
 - 7.2.8 The PSSF will not pay to any employee, office bearer, member or other person any remuneration, as defined in the Fourth Schedule, which is excessive, having

regard to what is generally considered reasonable in the sector and in relation to the service rendered;

- 7.2.9 Substantially the whole of PSSF funding will be derived from its PSSF Membership Subscriptions or from an appropriation by the government of the Republic of South Africa in the national, provincial or local sphere;
- 7.2.10 The PSSF will as part of its dissolution transfer its assets to -
 - 7.2.10.1 another entity approved by the Commissioner for the South African Revenue Services in terms of Section 30B of the Income Tax Act;
 - 7.2.10.2 a public benefit organisation approved in terms of Section 30 of the Income Tax Act;
 - 7.2.10.3 an institution, board or body which is exempt from tax under Section 10(1)(cA)(i) of the Income Tax Act; or
 - 7.2.10.4 the government of the Republic of South Africa in the national, provincial or local sphere;
- 7.2.11 The persons accepting fiduciary responsibility for the PSSF for the purposes of Section 30B of the Income Tax Act will submit any amendment of this constitution to the Commissioner for the South African Revenue Services within 30 (thirty) days of its amendment;
- 7.2.12 The PSSF will comply with such reporting requirements as may be determined by the Commissioner for the South African Revenue Services from time to time;
- 7.2.13 The PSSF 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, or a transaction, operation or scheme contemplated in Section 103(5) of the Income Tax Act, as amended.

8. **PSSF MEMBERSHIP² AND CRITERIA**

8.1 The PSSF Steerco will admit eligible applicants as PSSF Members who have duly submitted applications for PSSF Membership in accordance with the membership application process prescribed by the PSSF Steerco from time to time, after such applications have been vetted and approved by the Data Custodian, subject to compliance with the criteria stated in Article 9 below and such criteria as determined by the PSSF Steerco from time to time. The following persons or businesses shall be eligible for PSSF Membership:

8.1.1 Businesses;

8.1.2 System Operators;

8.1.3 Associations established by Businesses; and

8.1.4 Associations established by System Operators.

8.2 Only the names of new associations that have been admitted as PSSF Members have to be notified to the other PSSF Members at the AGM of the PSSF.

8.3 Notwithstanding the aforesaid, the following persons or entities shall also be PSSF Members:

8.3.1 The SARB as an *ex officio* PSSF Member;

8.3.2 PASA;

8.3.3 Invited PSSF Members consisting of persons invited by the PSSF Steerco to participate as and when deemed necessary.

8.4 With regard to unsuccessful applications for PSSF Membership as well as non-compliant PSSF Members, the PSSF shall maintain an Index reflecting the records of these unsuccessful applications as well as the status of non-compliant PSSF Members.

² The PSSF prefers to attract Associations with members that operate in an Industry. This provides a focused approach when pursuing the realisation of its objectives. However, practice dictates that instances exist, e.g. schools and churches, that do not necessarily have or want to create such an Association. PSSF Membership arrangements herein take cognizance of this.

9. APPLICATION FOR PSSF MEMBERSHIP

- 9.1 Any person or association, in order to apply for PSSF Membership, must complete, sign and submit the applicable prescribed PSSF Membership application form and supply the source documentation specified, which PSSF Membership application form and source documentation may vary in accordance to the PSSF Membership applied for, the kind of Business operation conducted by the applicant or the relevant association.
- 9.2 Applications, together with the proof of payment of the required PSSF Membership Subscriptions communicated with the application form, must be submitted to the Data Custodian of the PSSF who will vet all applications received in terms of this Constitution against the criteria set out in this Article 9 as well as such further criteria as determined by the PSSF Steerco from time to time.
- 9.3 The Data Custodian, after vetting the applications submitted by Businesses to be admitted as PSSF Members, will activate the membership of those applicants that meet the criteria set out in this Article 9 and such further criteria as determined by the PSSF Steerco from time to time, whereafter the Data Custodian will furnish the names and new membership statuses of the Business applicants to the PSSF Steerco for its ratification. All other applications to become PSSF Members (i.e. PSSF Business Associations, PSSF System Operator Associations and PSSF System Operators) will be referred to the PSSF Steerco for approval and recording on the PSSF Members Index.
- 9.4 All PSSF Membership application forms shall as a minimum contain the following warrantee conditions, to be expressly agreed to and accepted by an applicant -
- 9.4.1 that the applicant has full legal capacity to become a PSSF Member;
- 9.4.2 that the person or persons applying on behalf of such applicant are duly authorised to bind such applicant by virtue of an appropriate resolution;
- 9.4.3 that the applicant irrevocable agrees to and mandates the PSSF to verify the legitimacy of the applicant's business operation as and when deemed necessary;

- 9.4.4 that the applicant irrevocable agrees to and undertakes, for as long as it remains a PSSF Member, to comply with the provisions of this Constitution as well as the Regulatory Environment;
- 9.4.5 that any clause or article contained in its constitution, in the case of an association, which is in conflict with this Constitution, will be amended to correspond with this Constitution within a reasonable period of time from the date of admission as PSSF Member;
- 9.4.6 that should its constitution, in the case of an association, be silent and fail to address anything specifically contained in this Constitution, such amendments through insertions will be made to its own constitution within a reasonable period of time;
- 9.4.7 that pending such amendments warranted in terms of Articles 9.4.5 and 9.4.6 to its constitution, the association, including all its members, will abide by all the conditions contained in this Constitution;
- 9.4.8 that subsequent to being accepted as a PSSF Member, any of the prescribed PSSF Membership Subscriptions payable to the PSSF in forthcoming financial periods will be paid once such PSSF Membership Subscriptions have been communicated to PSSF Members;
- 9.4.9 that the applicant obtained approval from any individuals associated with the Business or association that is legally required to provide consent for the application to become a PSSF Member, as well as the full names and identity numbers of any such individuals associated with the Business or association, to be recorded on the index held by the PSSF. The applicant shall furthermore be required to obtain all the required consents for the disclosure of the personal information as aforesaid as may be required by prevailing data protection laws, including sole proprietors, partners, directors of companies, members of close corporations and trustees of trusts from time to time and as on date of application; and
- 9.4.10 that the applicant irrevocable consents, on behalf of the individuals associated with the Business or association (as applicable), to have the said individual's

particulars reflected next to the Business or the association's name and PSSF Membership status with the PSSF.

9.5 **Any Business** shall be eligible to become a PSSF Member and an application on behalf of a Business shall be successful if the Business:

9.5.1 has a permanent operational e-mail address for the sending and receipt of Written communication. No Post Office mail from PSSF Members will be accepted;

9.5.2 conducts a legitimate business operation which as a minimum entails registration with the applicable regulatory entity for the Industry in which it participates, which has to be vetted by the relevant PSSF System Operator and communicated to the PSSF before the registration of such Business with the PSSF;

9.5.3 agrees to adhere in all instances to this Constitution and the Regulatory Environment and must indicate if it is acting as a Beneficiary Service Provider as contemplated in the SARB directives; and

9.5.4 irrevocably consents to the listing of his / her / its PSSF Membership status with the PSSF especially once his / her / its PSSF Membership has been terminated by the PSSF; and

9.5.5 has paid the prescribed PSSF Membership or subscription fees to the PSSF as required.

9.6 **System Operators** shall be eligible to become PSSF System Operators and / or applications on behalf of System Operators shall be successful if these System Operators warrant that -

9.6.1 they will monthly submit to the PSSF the statistical information required in the prescribed electronic format of all Beneficiaries to whom its Services are provided;

9.6.2 they will communicate to all persons serviced by them that such persons' application forms and documentation for PSSF Membership (as required in

terms of Article 9.1 and 9.2) have to be lodged with the System Operator itself, who will thereafter submit it for evaluation by the PSSF;

- 9.6.3 they will refrain and / or cease to offer the Services to any Business refusing to apply and / or once notified by the PSSF that such Business refuses to apply and / or refuses to complete the application process as prescribed from time to time which may include a refusal of the Business to make the required payment;
- 9.6.4 each person using its Services, conducts a legitimate business operation as required by the Regulatory Environment;
- 9.6.5 they will disclose and timeously submit statistics, values and volumes as determined and required by the PSSF from time to time;
- 9.6.6 they have paid the prescribed PSSF Membership Subscriptions to the PSSF as required;
- 9.6.7 their communications and agreements, describing its Services to those persons using it, take place on a regular basis, but do not in any manner contradict any provisions of the Regulatory Environment and / or this Constitution;
- 9.6.8 their Services offered to those persons using it accommodate a unique User Abbreviated Name per person and enrol such User Abbreviated Names in the manner described in the Regulatory Environment;
- 9.6.9 they do not circumvent or collude with or knowingly permit any person to circumvent in any manner the Regulatory Environment;
- 9.6.10 they promptly and diligently adhere to all risk containment measures prescribed by the Regulatory Environment;
- 9.6.11 they promptly and diligently adhere to and implement risk reduction measures as prescribed by the Regulatory Environment from time to time or as reasonably required by the PSSF;
- 9.6.12 they maintain and ensure the certification (at their own cost) of the integrity, compliance and functionality of all of their systems provided to persons in Payment Streams, including hardware, software and data received and transmitted to the levels required by PASA from time to time, and in particular

ensure that such modifications and improvements are made to their Services offered in order to comply with new requirements in terms of risk management and containment as and when it is adopted by PASA, and to provide the PSSF with acceptable proof thereof as and when required;

9.6.13 they manage and investigate fraud or potential fraud and accept full liability for all fraud risk arising from their Services rendered to persons;

9.6.14 they will discuss with and disclose to the PSSF, with a view to the resolution thereof, any actual or apparent non-compliance to the Regulatory Environment;

9.6.15 they will perform, prior to enabling a person for the first time to use their Services and thereafter at least once annually, audits at the premises of such persons to verify the existence and obtainment of mandates by such persons;

9.6.16 they will report PSSF Members serviced by them that are non-compliant to the PSSF, thus allowing the PSSF to address any such PSSF Member in terms of this Constitution.

9.7 **An association of Businesses** shall be eligible to become a PSSF Business Association and applications on behalf of such an association shall be successful if the association warrants that -

9.7.1 its members operate within the same Industry, which definition of the Industry may not be based on being active in the same Payment Stream and / or using the Services of; and/or being Beneficiary Service Providers and/or Payer Service Providers;

9.7.2 the provisions of its constitution, rules and admission criteria are fair, equitable and transparent for participation by its members and such constitution and rules provide for:-

9.7.2.1 a process to verify that its members conduct a legitimate business operation which as a minimum entails registration with the applicable regulatory entity for such Industry;

- 9.7.2.2 a condition that all its prospective members are registered with the PSSF both by themselves as well as such prospective members' involved PSSF System Operators or PCH Participants;
- 9.7.2.3 a process to monthly verify that its members are all registered PSSF Members;
- 9.7.2.4 its interest in the PSSF as a PSSF Member will be exercised through the association's participation at the PSSF AGM and / or PSSF General Meeting and / or PSSF Steerco and / or sub-committees created by the PSSF, as the case may be, as well as to share with its members information for use, which information was obtained in any way or manner due to its PSSF Membership;
- 9.7.2.5 procedures to notify members of conduct deemed to be undesirable and of other matters of interest, as well as to share with members information for use which information was obtained in any way or manner due to its PSSF Membership;
- 9.7.2.6 notification processes and periods requesting members to change practices deemed to be undesirable in the NPS.
- 9.8 **An association of System Operators** shall be eligible to become a PSSF System Operator Association and an application on behalf of such an association shall be successful if the association warrants that -
 - 9.8.1 its member(s) who provides services in Payment Streams have a common business interest in rendering Payment Services;
 - 9.8.2 the provisions of its constitution, rules and admission criteria are fair, equitable and transparent for participation by its members and such constitution and rules provide for:-
 - 9.8.2.1 a process to verify that its members conduct a legitimate business operation which as a minimum entails registration with PASA and any other applicable regulatory entity;

- 9.8.2.2 disclosure of the names of all its members participating in Payment Streams;
- 9.8.2.3 disclosure to the PSSF on a monthly basis of the names of all its members as well as their members' registration status with PASA;
- 9.8.2.4 a condition that all its members will disclose in confidence information required by the Data Custodian, amongst others to determine the budget, and will at least annually, by paying its PSSF Membership Subscriptions, confirm that all persons to whom services are rendered, are indeed accounted for on the PSSF's Index of PSSF Members;
- 9.8.2.5 a condition that all its members have to be PSSF Members;
- 9.8.2.6 a process to verify that its members are PSSF System Operator Members;
- 9.8.2.7 its interest in the PSSF as a PSSF Member being exercised through the association's participation at the PSSF AGM and / or PSSF General Meeting and / or PSSF Steerco and / or sub-committees created by the PSSF, as the case may be, as well as to share with its members information for use which information was obtained in any way or manner due to its PSSF Membership;
- 9.8.2.8 procedures to notify its members of conduct deemed to be undesirable and other matters of interest;
- 9.8.2.9 notification processes and periods requesting members to change practices deemed to be undesirable in Payment Streams;
- 9.8.2.10 each of the PSSF Members active in Payment Streams meeting all the conditions described in Article 9.6 applicable to System Operators.

10. **UNSUCCESSFUL APPLICATIONS FOR PSSF MEMBERSHIP**

- 10.1 The PSSF Steerco has the power to accept or refuse any application for PSSF Membership referred to it by the Data Custodian after such application has been vetted, after applying the relevant criteria included in Article 9.

10.2 Any entity whose application has been refused may, within 1 (one) month of having received Written notification of the refusal, appeal in writing to the PSSF for its application to be reconsidered and decided by ballot at a specially constituted Special General Meeting of the PSSF. The matter tabled shall be decided by a majority of not less than two thirds of the votes of voting PSSF Members present at such Special General Meeting. If such appeal is successful and the appellant meets the relevant criteria in terms of Article 9 above, such appellant shall be granted the category of PSSF Membership initially applied for.

10.3 No PSSF Membership Subscriptions will be refunded to any unsuccessful applicants.

11. **RESIGNATION OF PSSF MEMBERS**

11.1 Any PSSF Member must give the PSSF at least 3 (three) calendar months' Written notice of resignation from the PSSF.

11.2 A PSSF Business Association, after service of a notice to terminate participation with the PSSF, shall –

11.2.1 during the 3 (three) month notice period inform all its members of the various PSSF Membership options available in the PSSF; and

11.2.2 account to the PSSF Steerco how all its members as at termination date, will in future be represented for participation at the PSSF.

11.3 A person, whether a member of a PSSF association or not, after service of a notice to the PSSF to terminate participation with the PSSF, shall –

11.3.1 prove to the PSSF that the business is closed in totality and certifies that no further participation in Payment Streams will occur; or

11.3.2 if sold to or taken over by another person:

11.3.2.1 supply such person's contact details and proof of such person's PSSF Membership status; and

11.3.2.2 confirm through which PSSF System Operator and / or PCH Participant he / she / it obtained access to the Services; and

11.3.2.3 confirm through which PSSF System Operator or PCH Participant the new owners will obtain access to Services; and

11.3.2.4 confirm whether existing issued user abbreviated names or unique identifiers will be continued with by the new owners.

11.4 The role of Invited PSSF Members

11.4.1 **Invited PSSF Members**, of which PASA forms part, tasked with supervision and / or oversight over PSSF Members shall participate in the PSSF, with full acceptance by the PSSF of such Invited PSSF Members' position and authority –

11.4.1.1 to monitor, in a constant manner, changes occurring in the broader Industry falling under such Invited PSSF Member's supervision and oversight ensuring that problems occurring, are identified and, where required to intervene, are addressed in terms of the authority of such Invited PSSF Member.

12. **PARTICIPATION RIGHTS OF ASSOCIATION MEMBERS IN THE PSSF AND CONSEQUENT VOTING RIGHTS**

Participation in the activities of the PSSF and the right to vote differs as set out in this Section.

12.1 **PSSF Associations** are entitled to participate in the PSSF –

12.1.1 through their attendance at the PSSF Steerco, if co-opted by the PSSF Business Association caucus in terms of Article 12.2.1.1 and/or if co-opted by the PSSF System Operator Association caucus in terms of Article 12.2.1.3; and

12.1.2 through their attendance at an AGM; and

12.1.3 on invitation by the PSSF Steerco, through their attendance and participation at sub-committee meetings established by the PSSF Steerco.

12.2 **PSSF Associations** are also entitled to participate in the PSSF –

12.2.1 through their attendance of General Meetings (including the AGM);

- 12.2.1.1 Each PSSF Business Association will have 1 (one) vote at the meetings and be entitled, if appointed as one of the 6 (six) PSSF Business Associations to the PSSF Steerco in a caucus meeting of all PSSF Business Associations before the meetings, to appoint 1 (one) principal and 1 (one) alternate representative per such PSSF Business Association to represent it at the PSSF Steerco;
- 12.2.1.2 If there are less than 6 (six) PSSF Business Associations representing Businesses, the PSSF Business Associations in a caucus meeting of all PSSF Business Associations before the meetings, may nominate and appoint from amongst the midst of the PSSF Businesses as many additional principal and alternate PSSF Business to the PSSF Steerco as to fill the vacancy/ies;
- 12.2.1.3 PSSF System Operator Associations will not contribute to more than one half of the votes available to the PSSF System Operator Associations present at the AGM and will be entitled, if appointed as one of the 3 (three) PSSF System Operator Associations to the PSSF Steerco in a caucus meeting of all PSSF System Operator Associations before the meetings, to appoint 1 (one) principal and 1 (one) alternate representative per such PSSF System Operator Association to represent it at the PSSF Steerco;
- 12.2.1.4 If there are less than 3 (three) PSSF System Operator Associations representing PSSF System Operators, the PSSF System Operator Associations in a caucus meeting of all PSSF System Operator Associations before the meetings, may nominate and appoint from the midst of the PSSF System Operators as many additional principal and alternate PSSF System Operators to the PSSF Steerco as to fill the vacancy/ies;
- 12.2.2 by receiving notice of the meeting, viewing of the meeting's agenda and minutes, tabling matters for discussion at the meeting, addressing their members of the meeting on any matter tabled for discussion and decision at the meeting;
- 12.2.3 by viewing and having access to annual financial statements published;
- 12.2.4 by expressing views with regard to office bearer appointments;

12.2.5 by receiving PSSF Steerco minutes, the original agenda as well as documentation handled at the meeting attached.

12.3 A **PSSF Member** shall not be allowed to participate as described in this Constitution when such PSSF Member, once participating in the PSSF or NPS –

12.3.1 does not comply with its obligations as set out in this Constitution or Regulatory Environment;

12.3.2 acts in contravention to the Regulatory Environment;

12.3.3 is in arrears with or defaults on payment of membership subscriptions levied by the PSSF. *Ex Officio* Members, Invited PSSF Members and PASA shall not be required to pay subscriptions;

12.3.4 acts in a manner which has negative impact on the objectives of the PSSF or acts in a manner to circumvent any of the objectives of the PSSF or Regulatory Environment;

12.3.5 as a member of the PSSF Steerco, fails to attend at least 2 (two) consecutive scheduled PSSF Steerco Meetings without a valid excuse accepted by the PSSF Steerco, acting reasonably.

12.4 **Invited PSSF Members** and **PASA** are entitled to participate in the PSSF through their attendance at PSSF Steerco Meetings without the right to vote.

13. **PSSF OFFICE BEARERS AND ADMINISTRATION**

13.1 As final part of the business of the AGM, the Chairperson of the AGM and newly appointed PSSF Steerco Members' representatives will elect from their midst persons to serve in the following PSSF offices –

13.1.1 Chairperson;

13.1.2 Deputy Chairperson;

13.1.3 Finco Chair; and

13.1.4 Whether outsourced or not, for the following functions:

- 13.1.4.1 The Treasurer; and
- 13.1.4.2 The Secretary.
- 13.2 The election of office bearers shall take place by way of a show of hands or by ballot or by decision, as the case may be, at the discretion of the Chairperson in terms of the following:
 - 13.2.1 If the newly appointed Chairperson is appointed from the midst of the PSSF Business Association's representatives, the Deputy Chairperson must be appointed from the midst of PSSF System Operator Association's representatives or *vice versa*;
 - 13.2.2 The elected Chairperson and Deputy Chairperson may appoint a representative from their PSSF Association;
 - 13.2.3 The **PSSF Steerco** may elect that the function of:
 - 13.2.3.1 the Secretary and the Treasurer be combined in 1 (one) person or both be outsourced to a competent person/s or body; and / or
 - 13.2.3.2 that the administrative³ function be outsourced to a competent person or body.
- 13.3 The PSSF Steerco may elect that the function to administer the PSSF Member listing or the receipt, compilation and consolidation of related operational information be outsourced to a competent person or body.
- 13.4 The members of the PSSF Steerco shall hold office for 1 (one) year only, whereupon they may be re-elected or replaced by newly elected members.
- 13.5 SARB, as *Ex Officio* PSSF Member, shall be entitled to nominate 1 (one) representative to the PSSF Steerco as observer, advisor and participant, but without voting rights.
- 13.6 Invited PSSF Members shall be entitled to nominate 1 (one) representative to the PSSF Steerco as contemplated in this Constitution, but without voting rights.

³ PSSF General Meeting and Steerco administrative functions are currently outsourced to PASA.

- 13.7 The Chairpersons of any sub-committees created or established by the PSSF of the PSSF Steerco, if not an active PSSF Steerco Member, appointed treasurer and/or secretary of the PSSF and outsourced agents, if invited, may attend and / or join (at a specified point for a specified purpose) the PSSF Steerco Meetings, without any right to vote, to report and supply feedback on the relevant sub-committee's activities and/or on the PSSF administration and related aspects as the case may be and arranged by the PSSF Steerco.
- 13.8 The PSSF Steerco shall be entitled to fill any vacancies arising from time to time as it deems fit from the PSSF Membership or by a competent person or body.
- 13.9 The PSSF Steerco shall meet not less than 4 (four) times a year and the Chairperson shall preside as chairperson at every PSSF Steerco.
- 13.10 Meetings shall be convened by the Chairperson, Deputy Chairperson or any 3 (three) PSSF Business Association representatives by no less than 14 (Fourteen) Business Days' notice to all PSSF Steerco representatives, which notice will be given electronically. The agenda for any meeting as well as documentation relevant to any agenda point shall be made available on the secure website accessible to all PSSF Steerco representatives.
- 13.11 The Chairperson, in his own discretion, will decide to allow or disallow discussion points not included on the agenda. Voting may only happen on items that were included in the original agenda.
- 13.12 Minutes of every meeting shall be kept in the format approved by the PSSF Steerco and the minutes must be published on the secure website accessible to all PSSF Steerco representatives within 10 (ten) Business Days of the meeting. The minutes together with the original agenda and the documentation handled at the applicable meeting must at the same time be delivered to the person appointed by the PSSF Steerco for distribution as set out in Article 12.2.5, to the PSSF Associations not represented at the PSSF Steerco.
- 13.13 Short notice of meetings and new agenda points, subject to a quorate meeting, must be condoned by all the Members at the PSSF Steerco.
- 13.14 Provision will be made that:

- 13.14.1 should both the principal and alternate PSSF Steerco Member not be available to attend a meeting, such notification by email must be delivered by either the principal and/or alternate PSSF Steerco Member to the Chairperson 3 (three) Business Days prior to the meeting, enabling the Chairperson to advise at the meeting whether a quorum will be present. Such principal and/or alternate PSSF Steerco Member will be entitled, in the same email, by way of proxy to nominate another PSSF Steerco Member to stand in and vote, if so required, on such absent PSSF Steerco Member's behalf at the meeting;
- 13.14.2 PSSF Steerco may invite persons as Invited PSSF Members to attend its meetings, but not to vote; and
- 13.14.3 in the absence of the Chairperson, the Deputy Chairperson shall preside over the meeting, but should the Deputy Chairperson also not be present the members of the PSSF Steerco present at the meeting, subject to a quorate meeting, shall elect a chairperson from their ranks, who shall then preside at such meeting and who shall have all the powers of the Chairperson defined herein.
- 13.15 The PSSF Steerco should arrange for separate meetings with Chairperson or Deputy Chairperson of the appropriate Payment Clearing Houses as and when required.

14. **POWERS OF PSSF STEERCO**

The PSSF Steerco shall, in addition to the general powers of the PSSF set out in Article 6 above, have authority to also:

- 14.1 manage and control the affairs of the PSSF and shall have full power and authority to carry out all the objectives of the PSSF listed in Article 3 above;
- 14.2 determine and approve a budget based on probable costs to be encountered in the next financial year and from that, based on a formula⁴ established for that purpose, determine the membership subscriptions payable by the PSSF Members, which budget and membership subscriptions shall be implemented on condition that it must be ratified at the next scheduled AGM;

⁴ See Annexure A for the formula.

- 14.3 upon detecting a shortfall in funds collected, collect PSSF Membership Subscriptions from all PSSF Members to maintain the solvency of the PSSF, which PSSF Membership Subscriptions are to be established using the formula used for the PSSF Membership Subscriptions of the same financial period;
- 14.4 collect PSSF Membership Subscriptions established in terms of this Constitution, which PSSF Membership Subscriptions shall be payable as determined from time to time by the PSSF Steerco and such PSSF Membership Subscriptions are payable in the month of enrolment and thereafter annually during February of each year;
- 14.5 maintain an Index reflecting the status of applications, of PSSF Business Members as well as non-compliant PSSF Business Members in relation to the PSSF including:
- 14.5.1 Non-compliant PSSF Business Members; or
 - 14.5.2 application submitted; or
 - 14.5.3 application unsuccessful; or
 - 14.5.4 registered as PSSF Member i.e. a PSSF Business and/or PSSF System Operator and/or Beneficiary Service Provider and/or Payer Service Provider; or
 - 14.5.5 business closed down; or
 - 14.5.6 resigned; and
 - 14.5.7 suspended;
- 14.6 structure the office of the PSSF as is required for its optimal functioning and performance of its objectives at the time and for this purpose, to appoint any competent person(s) or body, at acceptable market related rates, to capacitate the PSSF office as well as to fulfil any of the obligations or functions required in terms of this Constitution;
- 14.7 issue PSSF Rules;
- 14.8 constitute sub-committees from time to time from the ranks of the PSSF Associations, and invite any persons who possess specialised knowledge and expertise in payments either as it may deem fit or as Invited PSSF Members to such sub-committees. The PSSF Steerco shall be entitled to facilitate, give guidance to,

co-ordinate, promote, prescribe working methods to, educate and inform any sub-committee and generally may do all things necessary to achieve, or work towards achieving, the objective and purpose for which that sub-committee was constituted;

- 14.9 suspend the privileges of participation in the PSSF if such PSSF Member, where applicable, omits to pay his / her / its PSSF Membership Subscriptions on or before when it is due, or where such PSSF Member's participation starts after 28 February, within 60 (sixty) Business Days of non-payment. If after service on a PSSF Member of a notice requiring it to pay such PSSF Membership Subscriptions, it does not do so within one month of such date, the PSSF Steerco shall have the power to deactivate the said PSSF Member's membership;
- 14.10 investigate, evaluate and adjudicate or cause the investigation, evaluation and adjudication, of Complaints in relation to its PSSF Members as contemplated in Article 16;
- 14.11 having followed proper procedure as set out in detail herein, impose any of the sanctions prescribed in Sub-Section B of Article 16 below.

15. DECISIONS BY PSSF STEERCO

- 15.1 Each decision of the PSSF Steerco shall be made by a simple majority subject to a quorum as described in Article 15.3 being present and based on the voting rights as described in Article 12. The Chairperson may at his / her discretion require the vote to be taken by a show of hands or a ballot.
- 15.2 The Chairperson, Deputy Chairperson and / or stand-in Chairperson shall have no vote except a casting vote.
- 15.3 No decisions of the PSSF Steerco, taken at PSSF Steerco meetings, shall be binding unless a quorum, consisting of at least:
 - 15.3.1 1 (one) representative each of 3 (three) of the 6 (six) PSSF Steerco Members contemplated in Article 12.2.1.1; and
 - 15.3.2 1 (one) representative each of 2 (two) of the 3 (three) PSSF Steerco Members contemplated in Article 12.2.1.3;

is present at any meeting of the PSSF Steerco at which decisions are to be taken. Therefore, should a quorum not be present, no meeting shall take any decisions and the Chairperson shall:

- 15.3.3 call a further meeting ("follow-on meeting") on a date which will be no less than 14 (fourteen) Business Days after the date of the first meeting, and of which no less than 7 (seven) Business Days' notice is given to all PSSF Steerco Members. At such follow-on meeting the number of the PSSF Steerco Members present will constitute a quorum for the purpose of deciding and / or voting. No item other than the item(s) that had been placed on the agenda of the meeting that gave rise to the follow-on meeting may be decided or voted upon; or
- 15.3.4 allow such decision to stand over until the next PSSF Steerco meeting.
- 15.4 Decisions by the PSSF Steerco on a Round Robin basis:
 - 15.4.1 in this Constitution, "Round Robin basis" means the circulation, electronically or otherwise, of an issue, document or resolution to the PSSF Steerco Members, requiring a decision normally taken at PSSF Steerco meetings, for the express purpose of fast-tracking the normal process of approval for a particular issue or document;
 - 15.4.2 the Secretary, or in his absence, any PSSF Steerco Member, with approval of the Chairperson, may obtain a decision from the PSSF Steerco by requesting each PSSF Steerco Member to indicate its support or approval of an issue or document referred to all PSSF Steerco Members on a Round Robin basis within a time frame that may not be less than 14 (fourteen) Business Days;
 - 15.4.3 the provisions of Article 15.1 with reference to a decision, shall also apply to decisions obtained on a Round Robin basis. PSSF Steerco Members not responding to the request within the timeframe stipulated shall be deemed to be in support of the decision;
 - 15.4.4 a decision requested on a Round Robin basis shall not be disposed of if any PSSF Steerco Member declares a matter to be contentious or requiring further debate, in which event the matter will be tabled at the next PSSF Steerco meeting for a decision in terms of the provisions of Article 15.1.

15.5 All decisions of the PSSF Steerco taken:

15.5.1 at PSSF Steerco meetings;

15.5.2 on a Round Robin basis; and / or

15.5.3 at PSSF Steerco follow-on meetings,

shall be binding on all PSSF Business Associations as well as all PSSF Beneficiaries & PSSF Payers and / or on all PSSF System Operator Associations as well as all PSSF System Operators, as the case may be, unless a PSSF Business Association and / or a PSSF System Operator Association, as the case may be, declares (at the applicable meeting or as soon as reasonably possible after the results of a Round Robin resolution are made known and / or minutes of PSSF Steerco meetings are published) that it rejects the decision pending an appeal to a General Meeting, specifically arranged for handling the appeal, to decide by ballot the decision at hand. Such decision shall be determined by a majority of not less than two thirds of the votes of the voting Members present at such General Meeting. If the decision is confirmed, it shall forthwith be binding on all the relevant Members as well as the Member that lodged the appeal.

15.6 Nothing contained in this PSSF Constitution shall prohibit any PSSF Business Association and / or a PSSF System Operator Association, as the case may be, to request a review of any decision of / by the PSSF Steerco when it considers such decision to be harmful to the NPS or to the PSSF. The PSSF Business Association and / or a PSSF System Operator Association, as the case may be, must submit the request for a review to the PSSF Steerco in writing within 7 (seven) Business Days after the PSSF Business Association and / or a PSSF System Operator Association, as the case may be, became aware of such decision, or within such further period as the PSSF Steerco may allow on good cause shown. The PSSF Steerco shall on receipt of the request suspend any action and not implement the decision, until the PSSF Business Association and / or a PSSF System Operator Association, as the case may be, has been provided with a reasonable opportunity to make representations at the next meeting scheduled by the PSSF Steerco.

16. INQUIRIES INTO ALLEGED COMPLAINTS – AS PROVIDED FOR IN ARTICLE 14.10 OF THE CONSTITUTION

16.1 In this process, the following words shall have the meaning assigned to them below, and any word or expression which has been defined in terms of Article 2 shall bear that meaning, unless the context clearly indicates otherwise –

16.1.1 “Adjudicator ” – means the independent person appointed from amongst the midst of practising attorneys or advocates by the PSSF Steerco for purpose of acting as adjudicator during an Inquiry;

16.1.2 “Complainant” – means any natural or juristic person, PSSF Member, Payer, PCH Participant, or group that lodges a Complaint against a Respondent about alleged Improper Conduct;

16.1.3 “Complaint” – means any complaint brought against a Respondent, in particular, but without limitation, information regarding Improper Conduct for investigation, evaluation and adjudication against a PSSF Member, Non-compliant Beneficiary or System Operator in terms of Article 14.10 of the Constitution;

16.1.4 “Improper Conduct” – shall mean any conduct or omission by a PSSF Member, Non-compliant Beneficiary or System Operator which:

16.1.4.1 has an adverse or potentially adverse effect on one or more of the objectives of the PSSF;

16.1.4.2 is in violation of the PSSF membership requirements;

16.1.4.3 has a negative or potentially negative effect on the relationship between the PSSF and PASA or its members;

16.1.4.4 brings or has the potential to bring the principles relating to, and the procedures of, the NPS into disrepute;

16.1.4.5 contravenes one or more of the PSSF Rules;

16.1.4.6 does not comply with any of the provisions of this Constitution and / or the Regulatory Environment;

- 16.1.5 "Inquiry" – means the proceedings instituted by the PSSF Steerco to inquire into a Complaint against a Non-compliant Beneficiary, PSSF Member or System Operator;
- 16.1.6 "Pro Forma Complainant" – means a person appointed by the PSSF Steerco to represent the Complainant and to present the Complaint to the Adjudicator. Such person includes the Administrative and Compliance Officer;
- 16.1.7 "Respondent" – means a PSSF Member and / or a Non-compliant Beneficiary and / or a System Operator whose conduct is the subject of a Complaint in terms of this Article 16.

16.2 Lodging of Complaints

- 16.2.1 A Complaint must be lodged in writing and be addressed to the Administrative and Compliance Officer of the PSSF. Nothing contained in this Article 16.2 will however prohibit the Administrative and Compliance Officer to investigate, evaluate and adjudicate or cause the investigation, evaluation and adjudication of Improper Conduct without a Complaint lodged in writing;
- 16.2.2 When a complaint is addressed to the PSSF Steerco, it must be submitted to the Administrative and Compliance Officer;
- 16.2.3 The Administrative and Compliance Officer must –
- 16.2.3.1 peruse and analyse all Complaints received;
 - 16.2.3.2 categorise them according to their significance, seriousness and nature;
 - 16.2.3.3 record each Complaint against the name of the Respondent concerned in a register kept for this purpose;
 - 16.2.3.4 refer complaints not falling under the jurisdiction of the PSSF to the relevant authority which has jurisdiction over such complaints.

16.3 Pre-inquiry procedures

- 16.3.1 Once a Complaint has been received, recorded and falls under the jurisdiction of the PSSF, alternatively once the Administrative and Compliance Officer have caused an investigation out of own account, the Administrative and Compliance

Officer may call for further information or an affidavit confirming the allegations made by the Complainant, alternatively the Administrative and Compliance Officer may call for further information relating to the PSSF's understanding of Improper Conduct.

16.3.2 The Administrative and Compliance Officer must notify the Respondent of the Complaint recorded by forwarding a copy of the Complaint together with copies of further information or affidavits referred to in Article 16.3.1 above, to the Respondent. If the Administrative and Compliance Officer have caused an investigation out of own account, the Administrative and Compliance Officer must deliver a notice to the Respondent calling for further information relating to the PSSF's understanding of Improper Conduct.

16.3.3 The notice to the Respondent –

16.3.3.1 must name the Respondent;

16.3.3.2 must set out the PSSF's understanding of the nature of the alleged Improper Conduct;

16.3.3.3 must either:

16.3.3.3.1 advise the Respondent:

16.3.3.3.1.1 that if the understanding and allegations are true and of such a nature that it can be discontinued by the Respondent, to refrain from persisting with the such Improper Conduct with immediate effect or within a specified time; or

16.3.3.3.1.2 if Article 16.3.3.2 applies, of steps or actions which can be taken or refrained from to remedy the alleged Improper Conduct and to report to the Administrative and Compliance Officer thereon within a specified period to the satisfaction of the PSSF Steerco; or

16.3.3.4 must request the Respondent to submit a Written explanation to the Administrative and Compliance Officer within a specified time, provided that the Respondent must be warned that such Written explanation may

later be used as evidence against him or her and that he or she has a right to remain silent;

16.3.3.5 must advise the Respondent that the matter may be referred to the Adjudicator for adjudication if the Respondent fails to comply with the provisions of the notice within the time provided for compliance or response (as the case may be); and

16.3.3.6 must set out –

16.3.3.6.1 the sanctioning powers of the PSSF Steerco.

16.3.4 The notice or notification referred to in this Article will be deemed to have been received:

16.3.4.1 on the day such notification is hand delivered to the registered address of the Respondent; or

16.3.4.2 if such notification is sent by email, 3 (three) days after transmission if no delivery failure was received.

16.3.5 If the Respondent raises an objection to the notification and applies to the PSSF Steerco in writing within 5 (five) Business Days after receipt of the notice to review or set aside any or all of the matters stated in such notice, then due consideration shall be given to such request by the PSSF Steerco.

16.3.6 The Administrative and Compliance Officer, not later than on the date set by the notification to receive a response from the Respondent whether an appropriate response or no response or an objection were received, must:

16.3.6.1 record a response or no response or an objection; and

16.3.6.2 refer the Complaint or matter together with all relevant documentation pertaining to the Compliant or Improper Conduct to the PSSF Steerco; and

16.3.6.3 include his/her recommendation whether the matter should become an inquiry before an Adjudicator or not.

16.3.7 The PSSF Steerco must, after due consideration of a Complaint or matter referred to it in terms of Article 16.2:

16.3.7.1 decide that an inquiry before an Adjudicator must be held and instruct the Administrative and Compliance Officer to arrange for the holding of such an Inquiry; or

16.3.7.2 decide that, even in circumstances where no report or Written explanation was received from the Respondent, there are no grounds for an Inquiry or further action and shall instruct the Administrative and Compliance Officer to communicate in writing its decision to the Complainant and the Respondent, stating the reasons for such decision.

16.4 Appointment and Conduct of Inquiries before the Adjudicator

16.4.1 On receipt of an instruction referred to in Article 16.3.7.1, the Administrative and Compliance Officer must appoint an Adjudicator at least 20 (twenty) Business Days before the inquiry.

16.4.2 On receipt of an instruction referred to in Article 16.3.7.1 and after the appointment of an Adjudicator, the Administrative and Compliance Officer must issue a notice to the Respondent, setting out where and when the inquiry will be held specifying further who will be acting as Adjudicator. An indictment as formulated by the Complainant or Pro Forma Complainant (as the case may be) must accompany the notice. The notice shall be served on the Respondent by hand delivery or by transmission to the registered email address at least 15 (Fifteen) Business Days prior to the inquiry.

16.5 Sub-Section A

16.5.1 If the Respondent is absent from attendance on the date and time stated for attendance in the indictment, the Adjudicator shall immediately note a finding of guilty and refer the matter back to the PSSF Steerco and Sub-Section B with regard to Sanctions shall apply.

16.5.2 The Respondent shall be asked by the Adjudicator to plead to the indictment, which plea shall be so recorded. If the Respondent fails or refuses to plead, this shall be recorded by the Adjudicator and a plea of not guilty shall be entered.

16.5.3 No legal representation will be allowed during an Inquiry.

- 16.5.4 The Pro Forma Complainant may lead evidence through the tendering and submittal of certified documentation, sworn affidavits and or through witnesses called in support of the Complainant's case. After the Pro Forma Complainant has closed his or her case, the Respondent may lead oral evidence and by calling witnesses and may tender certified documentation in support of his or her case, whereafter the Respondent shall close its case.
- 16.5.5 All oral evidence tendered by parties shall be taken on oath or affirmation administered by the Adjudicator.
- 16.5.6 After the evidence of a witness has been given, the opposing party may cross-examine the witness.
- 16.5.7 The Adjudicator may examine a witness who has given evidence and may allow the opposing party to examine the witness regarding aspects forthcoming from the Adjudicator's examination.
- 16.5.8 The Adjudicator may allow the parties to lead further evidence or recall a witness after their cases have been closed and the Adjudicator may allow for the postponement of the Inquiry for such purpose.
- 16.5.9 After all the evidence has been adduced, the Pro Forma Complainant and the Respondent may address the Adjudicator on the evidence and the Complaint.
- 16.5.10 Upon conclusion of a case, and after consideration of all material facts, the Adjudicator shall thereafter announce its finding.
- 16.5.11 The parties may thereafter inform the Adjudicator on their views regarding a suitable Sanction in terms of Sub-Section B to be imposed on the Respondent.
- 16.5.12 The Adjudicator shall supply the PSSF Steerco with an abbreviated record of the proceedings and his / her finding and any material matters to be taken into consideration on a suitable Sanction in terms of Sub-Section B to be imposed on the Respondent. Such abbreviated record and findings are confidential and all members of the PSSF Steerco are bound to such confidentiality.

16.6 Sub-Section B

16.6.1 During the next forthcoming PSSF Steerco Meeting, the PSSF Steerco will consider the nature, duration, gravity and extent of the Improper Conduct or the circumstances in which the Improper Conduct occurred or took place, and the co-operation or lack thereof by the Respondent must also be taken into consideration once an appropriate Sanction is considered.

16.6.2 If prior to the scheduled PSSF Steerco Meeting a Written request is received from the Respondent to review or set aside the finding of the Adjudicator, the PSSF Steerco shall consider in good faith such request with regard to a Sanction imposed but not with regard to the finding made by the Adjudicator.

16.6.3 After due consideration of all material facts the PSSF Steerco, who has the sole discretion to impose Sanctions, has to impose the appropriate Sanctions for Improper Conduct which include all or any of the following –

16.6.3.1 in case of a member of a PSSF Association, informing the relevant PSSF Association of the details of the Improper Conduct by its member;

16.6.3.2 change and update the PSSF Index reflecting the Status of the Membership to “PSSF Membership Suspended”;

16.6.3.3 change and update the particulars of individuals associated with the Respondent to reflect the Respondent’s Status;

16.6.3.4 impose a fine;

16.6.3.5 notify PASA, Members of PASA and PSSF System Operators of the change in status of membership with the PSSF of such Respondent;

16.6.4 If the PSSF Steerco decides to impose a fine –

16.6.4.1 a fine, in the instance of a Beneficiary, PSSF Beneficiary or Non-compliant Beneficiary may not be more than the lesser of 10 (ten) times the value of the average monthly Collections of such Beneficiary during the preceding 12 (twelve) months or R500 000.00 (Five Hundred Thousand Rand); and / or

16.6.4.2 a fine, in the instance of a Payer or PSSF Payment Service Provider may not be more than the lesser of 10 (ten) times the value of the average monthly payments of such Payer or PSSF Payment Service Provider during the preceding 12 (twelve) months or R500 000.00 (Five Hundred Thousand Rand); and / or

16.6.4.3 a fine, in the instance of a PSSF System Operator or System Operator, may not exceed R1 000 000.00 (One Million Rand); and

the re-instatement of PSSF Membership with the PSSF may not occur with regard to a Respondent unless the imposed fine (if any) had been paid in full by the Respondent.

16.6.5 It is specifically recorded that the failure by any PSSF Business Association to guide and inform its members or an PSSF System Operator's failure to guide and inform PSSF System Operators regarding information obtained by it or to support and pursue the objectives of this Constitution jeopardises the interests of the PSSF Member's membership of the PSSF, and may be dealt with in terms of Article 16.2.1 and pursuing Articles above.

17. **AGM**

17.1 The AGM shall be held within 3 (Three) months from the end of the financial year, which shall be a calendar year commencing on 1 January in each year.

17.2 The Chairperson shall send out a Written notice convening the AGM. Such notice shall be sent by e-mail to the PSSF Association Members not less than 3 (three) weeks prior to the proposed date of the AGM. Such notice shall incorporate the agenda of the AGM to be held, including the particulars and wording of any resolution that is to be proposed at the AGM, including a resolution in terms of Article 17.9 below.

17.3 An AGM shall, notwithstanding that it is called by shorter notice than that specified in Article 17.2 above, be deemed to have been duly called when –

17.3.1 it is so agreed in writing by PSSF Business Associations representing not less than two thirds of the total voting rights of all the PSSF Business Associations of the PSSF; and

- 17.3.2 a quorum is present in person or in proxy at such an AGM.
- 17.4 The Chairperson of the PSSF Steerco from the preceding year shall preside at the AGM, but in the absence of the Chairperson the preceding Deputy Chairperson of the PSSF Steerco shall preside but should he / she also not be present, the meeting shall elect its own chairperson from amongst the other members of the PSSF Steerco present at that meeting. The Chairperson of the meeting shall remain in the chair until the conclusion of the meeting.
- 17.5 1 (one) half (rounded upwards) plus 1 (one) of the PSSF Business Associations present and not disqualified to participate in terms of Article 12.3, in person or by proxy, shall form a quorum at the AGM.
- 17.6 A Written proxy form or letter, signed by a PSSF Business Association, that is not disqualified to participate in terms of Article 12.3, appointing a named representative of another PSSF Association not disqualified to participate in terms of Article 12.3 as its proxy, mandating the proxy to vote on any issue in a particular manner or in the proxy's discretion, shall be valid and accepted at any meeting of the PSSF if lodged with any PSSF Steerco member at least 24 (twenty four) hours prior to the relevant meeting.
- 17.7 Every PSSF Business Association and / or PSSF System Operator Association shall have the participation votes described in Article 12, but the Chairperson shall have no vote except a casting vote. A majority of the votes of the voting PSSF Members present shall decide any question before the meeting except a decision involving:
- 17.7.1 the reinstatement or expulsion of a PSSF Member; or
- 17.7.2 an amendment of the Constitution,
- in which case a two-thirds majority of the votes of the voting PSSF Members not disqualified to participate in terms of Article 12.3 present at the meeting, shall be required. No Invited PSSF Member or PASA shall be entitled to vote at any AGM, General Meeting, or PSSF Steerco Meeting of the PSSF.
- 17.8 The business to be transacted at the AGM shall include the following:
- 17.8.1 attendance and apologies for absence;

- 17.8.2 confirmation of the minutes of the previous General Meeting or Meetings;
- 17.8.3 Chairperson's report;
- 17.8.4 approval of the accounting statements and report of the Treasurer;
- 17.8.5 if required, nominations for PSSF Business Members to be co-opted and who has indicated acceptance to participate should they so be co-opted;
- 17.8.6 ratification of the budget and annual subscriptions presented by the PSSF Steerco;
- 17.8.7 consideration and passing, with or without modification, any resolutions concerning the affairs of the PSSF of which due and proper notice has been given, including any resolution adding to, rescinding or amending any part of the Constitution;
- 17.8.8 general matters;
- 17.8.9 election of Office Bearers in accordance with Article 13.
- 17.9 Should a resolution of the AGM or a General Meeting be required as evidence for any purpose whatsoever, a copy thereof signed by either the Chairperson or the Secretary shall be deemed to be a true copy of the business transacted at that meeting.

18. **GENERAL MEETINGS**

- 18.1 The PSSF Steerco may, on 2 (two) weeks Written notice to the PSSF Members, if they deem it necessary or expedient, call a General Meeting. The PSSF Steerco shall also call a General Meeting on receiving a Written request to do so, signed by not less than two thirds of the PSSF Business Associations not disqualified to participate in terms of Article 12.3. Such request shall state the business of the proposed General Meeting and shall be addressed to the Secretary or the Chairperson.
- 18.2 The PSSF Steerco must within 1 (one) month of receiving such notice from the PSSF Business Associations call a General Meeting in writing.
- 18.3 A General Meeting shall, notwithstanding that it is called by shorter notice than that specified in Article 17.2 above, be deemed to have been duly called if –

- 18.3.1 it is so agreed in writing by PSSF Business Associations representing not less than two thirds of the total voting rights of all the PSSF Business Associations of the PSSF; and
- 18.3.2 a quorum is present in person or in proxy at such a General Meeting.

19. **AMENDMENT OF THE PSSF CONSTITUTION**

This Constitution may be amended at any time by a two thirds majority of the PSSF Business Associations not disqualified to participate in terms of Article 12.3, present at an AGM or at a General Meeting, provided that a Written notice containing the particulars of such proposed amendment has been posted or send by email to all PSSF Business Associations not less than 3 (three) weeks prior to the proposed date of the AGM or General Meeting convened for such purpose.

20. **BOOKS OF ACCOUNT**

The PSSF Steerco shall cause proper books of account and records to be kept in which a true and satisfactory account of all transactions shall be recorded. Any statements required shall be extracted and prepared from such records and certified by the Chairperson and Treasurer.

21. **REGISTER OF MEMBERS**

The PSSF Members shall communicate their addresses from time to time using the system provided by the PSSF who shall keep a register of the names of such PSSF Members, their addresses and, for PSSF Businesses, the short name under which they operate.

22. **DISSOLUTION**

The PSSF may be dissolved by a resolution passed at a General Meeting called for that purpose provided that such resolution is passed by two thirds of the PSSF Business Associations not disqualified to participate in terms of Article 12.3, present and entitled to vote at such a meeting. In the event of the dissolution of the PSSF, the property and funds remaining after the liquidation of all liabilities shall be dealt with as the majority of PSSF Business Associations not disqualified to participate in terms of Article 12.3 present at a Special General Meeting shall, subject to Article 7.2.10, decide.

23. **REGISTERED ADDRESS**

The registered address of the PSSF shall be:

Agri-hub Office Park
Building A
477 Witherite Street
The Willows
Pretoria
0184

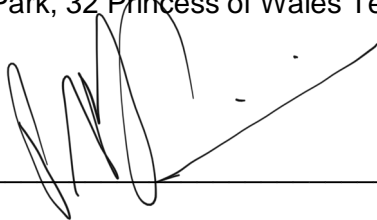
Or Postal address:

PSSF
PO Box 23
Pretoria
0001

24. **GENERAL**

This Constitution replaces any and all previous Constitutions of the PSSF and will come in effect on the date it is formally adopted by resolution of the PSSF Business Associations.

CERTIFIED THE CONSTITUTION OF THE PSSF AS ADOPTED AT ITS MEETING HELD AT Virtual meeting via the PASA Offices, 2nd Floor, D-Building, Sunnyside Office Park, 32 Princess of Wales Terrace, Parktown **ON 9 March 2021.**



CHAIRPERSON

9/03/2021.

DATE



DEPUTY CHAIRPERSON

09/03/2021

DATE

ANNEXURE A

The formula adopted is as follows:

1. an annual fixed fee per PSSF Association Member – as set from time to time by the PSSF Steerco;
2. an annual fixed fee per PSSF System Operator – as set from time to time by the PSSF Steerco even if the System Operator is:
 - 2.1 a member of an existing PSSF System Operator Association;
 - 2.2 acting also as and / or acting as a PSSF Beneficiary Service Provider; or
 - 2.3 providing its services through the use of another entity's systems; and
3. an annual fixed fee per each PSSF Business per System Operator / PCH Participant (as the case may be) as set from time to time by the PSSF Steerco that, if not paid by the PSSF Business, should be recovered by the PSSF System Operator / PCH Participant. If not so done the said PSSF Business becomes non-compliant and its status will be changed as such by the PSSF and reported to PASA as well as the PCH Participant on record at the time.

The annual fee for first time Business applicants will be payable per quarter regardless of the month within the quarter within which membership is granted being an amount as set from time to time by the PSSF Steerco.