

Minutes

South African Chapter of the Turnaround Managers Association

Minutes of the 3rd Meeting of the Launch Steering Work Group

Date: Monday 31 May 2004
Time: 16h00 – 19h00
**Venue: 6th Floor 4 First Place Bank City
Johannesburg**

In attendance:

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| Barnard, Krisjan | ABSA (alt. Trevor Mergatroyd) |
| Bicker-Caarten, Jan | RMB |
| Claassen, Stephan | FNB |
| Daly, Patrick | Daly Incorporated |
| Gordon, Rowan | CMS |
| Graham, Ricardo | Maximus Business Turnaround |
| Greenhill, Noah | JSE/ ALTX |
| Leigh, Martin | RMB |
| Ngobeni, Lawrence | ACS Group |
| John Evans | Deloitte |
| September, Themba | Corporate Renewal Partners (Chairman) |
| Taggart, Robin | Nedcor |
| Vacy-Lyle, Michael | FNB |
| van der Walt, Jan | Corporate Renewal Partners |

1. Welcome

The Chairman opened the meeting by welcoming all present.

2. Apologies were received from:

Trevor Mergatroyd
Christo Faul
David Burdette
Paul Winer
Rowan Gordon
Noah Greenhill – to become member of Advisory Group

3. Approval of previous meetings minutes

The minutes from the meeting held on 24 May 2004 at FNB were approved.

a. Matters arising from the minutes

- The Memo and Articles as prepared by the Legal Sub-committee (Paul Winer and Patrick Daly) were distributed – comments to be tabled at the next meeting of the Working Group;
- The TMA Mission statement was circulated for commentary by Wednesday. Final version to be tabled at the next meeting of the Working Group;
- Membership Sub-committee report back – see below;
- Approach to Government – see below.

4. Proposed Timeline in the establishment of the TMA

- Memo and Articles comments by 7 June, finalized by 30 June
- Draft Mission Statement finalized 7 June
- Important Government role players visits completed by 21 June
- Block registration of initial members with the TMA by 30 June
 - It was specifically noted that the TMA must be approached with a view of reducing the annual membership fee for South Africans – Jan vd Walt to discuss this with USA office;
 - It was further noted that any fee paid at 30 June 2004 would only be pro-rata for 6 months as the TMA runs on a calendar year.
- Interim Board appointed by mid July and to hold office for 3 months

5. Report back by the Membership Sub-committee

Jan vd Walt took the Working Group members through a draft document regarding the “Turnaround Practitioner Accreditation” as prepared by the Membership Sub-Committee.

It was noted upfront that South Africa should look at how the UK and Australia developed their membership criteria and accreditation.

The concept presented provides for a phased catch up by South Africa, as a new chapter with important BEE and other initiatives, to the TMA USA membership standards.

An interim or aspirational model was proposed with a phased 5year phasing-in period. Lawrence Ngobeni importantly pointed out that any proposed membership standards must allow for previously disadvantaged individuals to become members. It is of major importance that government buy-into this qualification and accreditation process in order that the existing irregularities regarding BEE appointments in liquidations are prevented in the new proposed turnaround environment.

The Working group agreed that Patrick Daly, who has the closest relationship with Government and its process, be further consulted regarding the Membership standards and criteria.

6. Press Release

John Evans explained that the due date for input re: the FM press release was 7 June. John explained further that the article would not specifically focus on the formation of a TMA chapter in South Africa, but more on the SA turnaround industry.

Everyone agreed that no press release specific to the SA TMA chapter be made until government role players had been consulted.

7. Sponsorship

The possibility of members of the Working Group contributing funds from their respective organizations as seed funding for the TMA was tabled. Jan vd Walt was mandated to draft a briefing memo to the various organizations outlining the need for “sponsorship”.

8. The next meeting

The next meeting to be held 17h00 – 19h00 at RMB, 1 Merchant Place Sandton, 18th Floor, on Monday 7 June 2004.