

MOTORSPORT SOUTH AFRICA
INTERNAL RULES & REGULATIONS

REFERENCE SHOULD BE MADE IN AUTHORITATIVE ORDERS TO THE MEMORANDUM OF INCORPORATION, MSA's STRATEGIC FRAMEWORK AND ACTION PLAN AND THESE REGULATIONS FOR CLARIFICATION ON THE STRUCTURES, COMPOSITIONS, PROCEDURES, APPOINTMENTS, OBJECTIVES AND AUTHORITIES OF THE COMPANY.

DEFINITIONS:

"MSA"	Motorsport South Africa
"ACT"	The Companies Act, as amended from time to time
"MOI"	The Memorandum of Incorporation of MSA
"CHAIRMAN"	The Chairman of MSA
"EXPERT"	A person considered by the BOD in its sole and absolute discretion to be an expert in a particular field and/or category of motorsport
"GENERAL MEETING"	Any general meeting of MSA or any adjournment thereof, as the case may be
"MANAGERS"	Any manager/s to whom the BOD may delegate a particular function, power, authority or duty
"BOD"	The MSA Board of Directors
"CEO"	The Chief Executive Officer of MSA
"MANCOM"	The Management Committee as envisaged in MSA's MOI and these Rules & Regulations
"MSA MEMBER"	The corporate members of MSA as defined in its MOI
"REGIONAL COMMITTEE"	A regional committee appointed in terms of MSA's MOI
"SPORT/REGIONAL COORDINATOR"	A coordinator to whom the CEO, ManCom, Commission, Panel or regional committee member may delegate particular functions, and being responsible for the regional administrative duties of MSA in a region
"SECRETARIAT"	The Secretariat appointed in terms of MSA's MOI and authorised by the BOD
"SPECIALIST PANEL"	A Specialist Panel appointed in terms of MSA's MOI
"SPORTING COMMISSION"	A Sporting Commission appointed in terms of MSA's MOI

APPROVAL AND REPEAL OF THE INTERNAL RULES AND REGULATIONS

1. The Internal Rules and Regulations governing the rights and powers, authorities, procedures, duties and responsibilities of persons, employed staff, Commissions, Panels and Committees are the responsibility of the BOD. The decision to approve, repeal, replace, amend or add in any manner to the Internal Rules and Regulations in part or in full rests entirely with the BOD. Decisions in this regard will take effect at the end of 7 (seven) days from the date of the BOD passing a resolution in this regard and shall be recorded in accordance with the relevant sections of the MOI of the company.
2. The first issue of the Internal Rules and Regulations was approved and adopted by the BOD on the 18th August, 1995.
3. The second issue of the Internal Rules and Regulations was approved and adopted by the BOD on the 22nd of April, 1998.
4. The third issue of the Internal Rules and Regulations was approved and adopted by the BOD on the 24th May, 2004.

5. The fourth issue of the Internal Rules and Regulations was approved and adopted by the BOD on the 27th March, 2007.
6. The fifth issue of the Internal Rules and Regulations was approved and adopted by the BOD on the 27th November, 2008.
7. The sixth issue of the Internal Rules and Regulations was approved and adopted by the BOD on 07th July 2011.
8. This seventh issue of the Internal Rules and Regulations was approved and adopted by the BOD on 23rd June 2015.

SECTION 1- THE MSA BOARD OF DIRECTORS (BOD)

1. OBJECTIVES AND AUTHORITY

- 1.1 The BOD shall exercise its powers in accordance with the Companies Act (as amended from time to time), the MOI and any resolution carried by a majority vote of MSA Members at a general meeting.
- 1.2 The BOD shall carry out the objectives of the company in such a manner as it may deem fit and proper, subject however to the general policy of MSA and to any special instructions as may be laid down or given by the MSA Members in general meeting from time to time.
- 1.3 The BOD shall have the right, on good cause shown, to summarily remove all or any of the members of the National Court of Appeal, Specialist Panels, Sporting Commissions, Regional Committees and any sub-committees appointed by aforementioned bodies.
- 1.4 The BOD may delegate any of its powers to a committee or committees consisting of such member or members as they deem fit. Any committee so formed shall, in the exercise of the powers so delegated to it, conform to any rules and/or instructions issued by the BOD from time to time.
- 1.5 The powers of the Directors shall be exercised by way of a resolution of the Directors. Any such resolution shall be determined by a majority of votes of the Directors and, in the event of an equality of votes, the Chairman shall have a casting vote in addition to a deliberative vote.
- 1.6 The BOD shall have the right and the power to veto any resolution of ManCom, any Commission, Panel, Committee and/or sub-committee in matters relating to all policies (sporting and otherwise), administration, finance and if it considers any such resolution detrimental to the interests of MSA or motorsport in general.
- 1.7 The rights and powers delegated by the BOD to any person or groups of persons may be revoked, altered or amended by the BOD at its sole and absolute discretion should their actions not adhere or conform to company policy, its Strategic Plan, these Rules and Regulations, directives and instructions issued from time to time by the relevant authority, or that they may be of such nature which are prejudicial to the interests of MSA or motorsport in general.
- 1.8 The BOD shall have the right, at its sole discretion, to determine, ratify and recognise the results of South African championships, competitions, events or series of events which have been organised for the purpose of establishing the right of an individual, team, commercial organisation or manufacturer to lay claim to a singular or collective title.
- 1.9 The Board shall have the right, through ManCom, to decide upon the organisation of any race, test, attempt at a record, regularity trial, rally touring assembly and event in which an automobile, motorcycle or kart takes part and having a competitive nature, prior to and whether or not it is obligatory to inscribe such events or competitions on the International Sporting Calendars of the FIA, CIK, FIM and FIM AFRICA.
- 1.10 The BOD shall have the right, at its sole discretion, to ratify, following receipt of a recommendation from the relevant Commission, the introduction of new National Championship categories/series, formulae and groupings of vehicles, motorcycles and karts which are to be used in motorsport competition, race and sporting events and, furthermore, the termination thereof. The BOD will not ratify the introduction of a new National category unless such category is considered to be sustainable.
- 1.11 In the event that an urgent resolution is required, Directors may cast their votes electronically to the CEO, who shall be responsible for relaying the results of such votes cast to the full BOD – retaining copies of all electronic votes. Documents calling for electronic votes will at all times

specify the time limit in which the vote must be cast and must specify whether the failure of a Director to cast an electronic vote within the given period, will be considered as an abstention, or a vote in favour of the proposal submitted.

- 1.12 The BOD will have the sole authority to change the structure (as set out in the various Terms of Reference & Operating Principles) of Commissions, taking into account ManCom's recommendations and motivation for the need to change the structure.
- 1.13 The BOD will determine the policy with regard to the allocation of categories to Commissions (with cognisance being given to FIA and FIM policy regarding such categories), as well as the appropriateness of the name of a championship allocated to a Commission.
- 1.14 The BOD will ratify the minimum number of starters at National level based on the recommendation of the Commission concerned. The BOD will furthermore allow annual revision regarding minimum number of starters for current year during September/October each year.
- 1.15 The BOD is charged with ensuring the independence of the National Court of Appeal and the judicial system within MSA.

2. **RESPONSIBILITIES AND DUTIES OF THE BOD**

The responsibilities of the BOD are, in brief, to:

- formulate and drive a compelling and viable medium to long-term strategy for the development and sustainability of all motor sport in Southern Africa;
- provide effective leadership based on an ethical foundation;
- ensure that the company is, and is seen to be, a responsible and reputable corporate citizen;
- ensure the good governance of risk by ensuring that the company is effectively and independently audited and that there is an effective risk-based internal audit;
- ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes and standards;
- ensure the integrity of the reporting of all of the above in the company's integrated report.

The BOD should act as the focal point for, and custodian of, Corporate Governance. It is responsible for ensuring the continued success of the company and is guided by its Strategy Charter. It is the link between ManCom and stakeholders.

The BOD should appreciate that strategy, risk, performance and sustainability are inseparable. The BOD shall also ensure that its strategy will result in sustainable outcomes and should consider sustainability to be a business opportunity.

The BOD should delegate certain functions to well-structured Commissions, Panels and committees, but without abdicating its own responsibilities.

Directors are required to act in the best interests of the company by, amongst other actions, disclosing conflicts where they exist, dealing in securities only as allowed by internal policies and by adhering to legal standards of conduct. Where permitted, they should be allowed to obtain independent advice.

Stakeholders:

The BOD represents the interests of its stakeholders. Direct leadership to achieve the desired results is vital.

The BOD must take cognisance of legitimate stakeholder interests and expectations when making decisions in the best interests of the company. Stakeholders include any group that can affect the company's operations or be affected by such operations. The BOD will strive to achieve the appropriate balance between its various stakeholder groupings, in the best interests of the company.

The BOD should appreciate that stakeholders' perceptions affect a company's reputation. These perceptions should be managed by timeous, relevant and transparent reporting. The BOD will adopt a Communication Action Plan as part of its strategy to ensure that stakeholders are kept fully informed.

In more detail, the BOD is responsible for:

- 2.1 Determining the company's strategic direction (and consequently its ultimate performance) and for the control of the company.
- 2.2 Ensuring that ManCom actively cultivates a culture of ethical conduct, and sets the values to which the company will adhere, and determining a "Brand Definition/Value" statement – i.e. what is MSA, what does it promise and to whom, and how can it substantiate its promises.
- 2.3 Ensuring that integrity permeates all aspects of the company and its operations and that the company's Vision, Mission and Objectives are ethically sound.
- 2.4 Aligning its conduct and the conduct of management with the values that drive the company's business as set out in MSA's Strategic Framework.
- 2.5 Considering the legitimate interests and expectations of the company's stakeholders in its deliberations, decisions and actions, thus ensuring the cooperation and support of all stakeholders the company depends on for its sustainable success.
- 2.6 Ensuring that the CEO, ManCom, Secretariat, Commissions, Panels and Committees implement MSA's Strategic Action Plan.
- 2.7 Monitoring the activities, outputs and behaviour of the CEO, ManCom, Commissions, Panels and Committees.
- 2.8 Monitoring the financial situation of the company on an ongoing basis and developing and implementing strategies to secure revenue from other sources to enable it to keep fees for licences and event permits as low as possible.
- 2.9 Providing information on the activities of the company to those entitled to such information.
- 2.10 Ensuring that the best interests of MSA, its members and motorsport in South Africa (as well as in Lesotho and Swaziland) are safeguarded.
- 2.11 Fostering and maintaining ongoing transformation within MSA that embodies an active motorsport development programme for persons across the whole spectrum of the population, and that detailed reports of past and sustainable development programmes and business plans are maintained.
- 2.12 Ensuring transformation within all MSA's structures – including its officials – to ensure the future sustainability of the sport.
- 2.13 Ensuring that sustainable and meaningful programmes (such as attracting and involving the youth, disabled persons, environment protection, etc.) are in place and are being implemented.
- 2.14 As per Government and FIM requirements, ensuring increased access for women and gender balance in decision-making positions within MSA and its structures – and motorsport in general.
- 2.15 Meeting with Commission Presidents twice per annum (preferably during June and November) and furthermore, evaluating the written reports on achievements, implementation of work plan items, targets, etc. of the various Commission Presidents.
- 2.16 Liaising with Sport & Recreation S.A and SASCOG to reiterate MSA's position as the sole officially recognised governing and administrative body for motorsport in South Africa.

3. THE DIRECTORS OF MSA

- 3.1 As a 'steward' of the company, each director should also discharge the following six moral duties:
 - i) **Conscience:** A director should act with intellectual honesty and independence of mind in the best interests of the company and all its stakeholders, in accordance with the inclusive stakeholder approach to corporate governance. Conflicts of interest should be avoided.
 - ii) **Inclusion:** The inclusion of stakeholders is essential to achieving sustainability and the legitimate interests and expectations of stakeholders must be taken into account in decision-making and strategy.
 - iii) **Competence:** A director should have the knowledge and skills required for governing a company effectively. This competence should be continually developed.

- iv) **Commitment:** A director should be diligent in performing his/her duties and devote sufficient time to company affairs.
- v) **Courage:** A director should have the courage to take the risks associated with directing and controlling a successful, sustainable enterprise, and also the courage to act with integrity in all BOD decisions and activities.
- vi) **Confidentiality:** A director may not divulge confidential matters of the company or other matters of whatever nature, learned in their capacity as a director, or discussed at meetings, to anyone without the written authority of the Chairman and/or CEO of MSA.

- 3.2 Directors should ensure that they have the time to devote to properly carry out their duties and responsibilities to the company.
- 3.3 Directors must ensure that they are in a position to make informed decisions.
- 3.4 Directors should never permit a conflict of interests. Should there be a potential conflict of interest when dealing with or being party to any decisions or voting process, a director shall declare the interest, direct or indirect, material or otherwise. (Ref. Art. 21 of MSA's MOI).
- 3.5 With reference to Clause 3.4 above, save as set out in Arts. 21.3.1 and 21.3.2 of MSA's MOI, a Director with a declared interest must recuse himself/herself from any discussion/debate surrounding the subject of the declared interest so as not to influence other members, and may not participate in any voting process.

4. **COMMISSIONS, PANELS AND COMMITTEES**

- 4.1 MSA has created Commissions, Panels and Committees in accordance with its MOI, and they shall exercise the powers and duties delegated to them and operate in accordance with the provisions of the company's Strategic Plan, these Rules and Regulations, the Terms of Reference and Operating Principles for the relevant Commissions, Panels and Committees, and any other directives issued to them by MSA from time to time.
- 4.2 It is a condition of membership of a MSA Commission, Panel, Committee or sub-committee whether elected and/or appointed by a Club, Association, the BOD, ManCom or Regional Committee, that members agree to abide, without reservation, to the provisions of these Internal Rules and Regulations, MSA's MOI, Strategic Plan, General Competition Rules, Standing Supplementary Regulations and other motorsport regulations issued by MSA from time to time.
- 4.3 The BOD shall resolve disputes within any Commission arising from Commission decisions as set out in the various Terms of Reference & Operating Principles of these bodies.
- 4.4 In the event of a dispute between a Commission/Panel and ManCom, the matter will be referred to the BOD by the CEO. Only in instances where the Sporting Manager and the CEO are in disagreement, will a ManCom decision be referred to the BOD directly for final approval and ratification.

SECTION 2 - THE CHIEF EXECUTIVE OFFICER

5. **RESPONSIBILITY**

The CEO, being an Executive Director of the company, will be responsible and be accountable to the BOD in respect of:

- 5.1 The execution of all Company policies, strategy and business plans and resolutions.
- 5.2 Ensuring that all motorsport and general policies (including social responsibility and equity) and MSA Strategic Action Plan and Objectives are effectively implemented and communicated to the relevant Committees, Sporting Commissions, Specialist Panels, Corporate Members and motorsport licence holders.
- 5.3 Ensuring that all Specialist Panels perform all duties for which they are responsible in respect of their particular specialist field of motorsport and as set out in the various Terms of Reference & Operating Principles of the Panels.
- 5.4 Leading, controlling and monitoring all aspects of the company's business and affairs.

- 5.5 Implementation of motorsport regulations (General Competition Rules and Standing Supplementary Regulations) which govern all motorsport events of a competitive nature in which an automobile, motorcycle or kart takes part, and is organised in the territory of South Africa, Lesotho and Swaziland. (Ref. Art. 4 of the MOI).
- 5.6 Ensuring that the MSA Secretariat functions efficiently and in accordance with company policy, strategy, internal staff regulations and any other instructions issued by the BOD from time to time.
- 5.7 Maintaining ongoing relationships with MSA's stakeholders.
- 5.8 Any other specific responsibilities or duties which are authorised by the BOD.

6. **AUTHORITIES AND DUTIES**

The entrusted responsibilities, duties and authority of the CEO are as follows:

6.1 **Administration and Finance**

- 6.1.1 To ensure that annual Operational and, where appropriate, Capital Expenditure budgets are prepared and submitted to the BOD for approval by no later than end November the previous year.
- 6.1.2 To manage the company's financial and administrative affairs within the resources established by the BOD.
- 6.1.3 To ensure that monthly financial results showing comparisons to budget are prepared and submitted to the BOD on a quarterly basis, and to report on significant variances which might have occurred.
- 6.1.4 To ensure that adequate account records and an effective system of internal control is maintained.
- 6.1.5 To ensure that financial statements, which fairly represent the state of the affairs of the company, are tabled at all meetings of the BOD.
- 6.1.6 To ensure that all Board papers and information are distributed/given to Directors timeously to enable Directors to study them and make informed decisions.
- 6.1.7 To decide upon any expenditure which any Commission, Panel, Committee, President and/or Chairman of such a body or in person, may propose in the name of a Commission, Panel, Committee or the company.
- 6.1.8 To decide upon the employment and payment for outside services to assist a Commission, Panel, or Committee if such has a financial impact on MSA.
- 6.1.9 To decide upon any fee or levy prior to such being imposed on a motorsport competitor and/or club and/or event organiser and/or commercial body, which a Commission, Panel or Committee deems necessary or required for any purpose whatsoever.
- 6.1.10 To decide upon all annual financial budgets of the Commissions, Panels and Committees. Similarly this applies to special projects which the BOD may approve from time to time.

6.2 **Sporting Matters**

- 6.2.1 In consultation with the Commissions and/or Sporting Manager/s and as contained in the Terms of Reference & Operating Principles of the various Commissions, to set parameters for the authority and control of office bearers of any Commission or Committee, the bodies themselves, within the areas of their responsibilities.
- 6.2.2 To consult with the relevant Sporting Commission and/or Sporting Manager/s regarding the approval, repeal, replacement or amendment of sporting regulations or rules, instructions, policies, specifications on all levels and categories of motorsport which in the opinion of the CEO are not in the best interests of a particular facet of sport, the company and motorsport in general (as contained in the Terms of Reference & Operating Principles for the various Commissions).

- 6.2.3 In consultation with a Commission or Committee to make such recommendations for the consideration of the BOD as deemed desirable in the interests of motorsport generally and in the interests of a specific motorsporting activity or region involved.
- 6.2.4 To consult with a Commission or Committee over matters of a contentious nature or on problems within the category or facet of sport concerned. In the event of a dispute between the Commission or Committee and ManCom, the matter will be referred to the BOD. (Only in instances where the Sporting Manager and the CEO are in disagreement, will a ManCom decision be referred to the BOD directly by the Commission or Committee for final approval and ratification or directive).
- 6.2.5 The CEO shall have the authority to veto any Resolution of ManCom and to refer such to the BOD.

SECTION 3 - CONTRACTUAL CAPACITY

The BOD delegates to the CEO and ManCom of MSA such of their powers as it may from time to time decide either generally or specifically, subject to the following:

7. ADMINISTRATION

- 7.1 The persons having the rights and the power to act as signatories to MSA bank accounts shall be approved by the BOD. The preferred manner of payments shall be via electronic funds transfer (EFT). Cheques are to be used as a last resort and for drawing cash from the bank for use as petty cash, and the use of any cheques must be approved by the CEO. All cheques must bear two signatures according to the matrix table in Clause 5 below. All payments are to be loaded by the Financial Manager or Accountant onto the banking system after examination and preparation of appropriate Payment Requisition Vouchers. The CEO must only approve payments after examination of the Vouchers. In the absence of the CEO a designated Manager or the Financial Director may approve payments.
- 7.2 Capital and operating expenditure may be authorised and incurred after having been approved in the operating and Capital Expenditure (CAPEX) Budgets of MSA. Unbudgeted expenditure may be incurred in accordance with the Authorisation Parameters (Ref. Section 4 of these Regulations) approved by the BOD.
- 7.3 Any written contract and/or other document approved by the BOD shall be signed in accordance with MSA's Strategic Action Plan and these Rules and Regulations and/or specific authorisation instructions issued by the BOD.

8. COMMERCIALISATION

- 8.1 A "Commercialisation Contract" shall mean any contract, whether written or oral and of whatever nature, which is made for and on behalf of the company, all aspects and facets of motorsport under its authority and control, the commercialisation of rights it holds, Commissions, Panels and committees appointed in terms of these Internal Rules and Regulations, MSA's MOI and Strategic Action Plan, for which there may be a material benefit, payment or financial obligation. It is further defined as being any contractual obligation or transaction between a sponsor, marketing company or agent, broadcasting or visual recording producing company or agent, publishing and media company or agent, supplier of goods or services, group of persons or an individual.
- 8.2 All funds or benefits having been derived as a result of any contract in terms of 2.1 above will be utilised by MSA as it deems fit and proper or as directed by the BOD on the recommendation of ManCom.
- 8.3 All contracts in terms of 8.1 above shall, prior to such being entered into, be reviewed in the first instance by the CEO who will take such necessary action as is appropriate prior to submitting the contractual documents to the BOD for consideration.
- 8.4 All contracts between the parties in terms of 8.1 above shall also mean any agreement or arrangement of whatever nature with reference to exercising the sporting power of MSA (refer to Art. 5 of MSA's MOI) and the rights MSA holds pertaining to the staging, organisation, promotion, marketing or selling, receiving sponsorship, commercial exploitation, the broadcasting or transmission or visual recording of any championship, event or series of events which have been organised for the purpose of establishing the right to an individual, promoter or organiser to lay claim to a singular or collective title. Such a competition may also be referred to by other titles e.g. "Challenge", "Trophy", "Cup", "Series", etc.

8.5 The persons having the rights and powers to act as signatories to any approved contracts, or other documents in terms of 8.1 to 8.4 above will be in accordance with the authorisation and instructions issued by the BOD from time to time and these Internal Rules and Regulations but shall at all times bear the signatures of the Chairman and/or CEO as the first authority, failing which the Financial Director.

8.6 **Exclusion of Authorities**

No person or member of a Sporting Commission, Specialist Panel, Committee or sub-committee, group of persons appointed in terms of these Internal Rules and Regulations, an appointed agent or consultant to the company, staff member with the exception of the CEO, or Corporate Member as defined in MSA's MOI, may enter into any Commercialisation Agreement as defined in this section with any third party without the prior written approval of the BOD (via the CEO).

9. **STAFF**

9.1 The employment of staff and remuneration for services is governed by the Authorisation Parameters. (Refer to Section 4).

9.2 The BOD shall appoint a Remuneration Committee, with membership including:

- The Chairman
- An Honorary President of the BOD (being a suitably qualified person who shall not be connected to motorsport in any commercial/financial capacity) and who shall be recommended by the BOD
- The Financial Director

A partner of the external auditing firm appointed by the BOD will attend all meetings of the Remuneration Committee as an Observer (without voting rights), to provide advice if and when required and to ensure that correct procedures regarding the granting of salary increments and performance bonuses are followed at all times.

9.3 The appointees to the Remuneration Committee shall be approved annually during September/October by the BOD.

9.4 The Remuneration Committee will be guided by reference to remuneration surveys or other human resources information at their disposal.

9.5 Any decision of the Remuneration Committee shall only take effect after all members reach unanimous agreement. Should the Remuneration Committee fail to reach a unanimous decision, it shall obtain professional advice from a consultant specialising in remuneration.

9.6 The CEO shall be in attendance in determining staff remuneration but shall not be present when his/her remuneration or fee is discussed.

9.7 Staff Remuneration: Payment authorisation shall at all times bear the signature of the CEO of MSA.

10. **ELECTRONIC FUNDS TRANSFERS (EFT)**

All EFT payments and electronic inter-account transfers, subject to these payments having been approved in accordance with the matrix table in Section 4 below) will at all times be authorised by the CEO prior to such payments/transfers being made.

SECTION 4 - REGULATIONS AND AUTHORISATION PARAMETERS, EXPENDITURES, CONTRACTS AND STAFF EMPLOYMENT

11. **GENERAL AND BUDGETED EXPENDITURE**

VALUE NOT EXCEEDING R10,000 (Ten Thousand Rand)	
FIRST SIGNATORIES	ALTERNATE SIGNATORIES
Chief Executive Officer Financial Director	Operations Manager

VALUE NOT EXCEEDING R50,000 (Fifty Thousand Rand)	
Chief Executive Officer Financial Director	Chairman of BOD Other BOD member
VALUE EXCEEDING R50,000 (Fifty Thousand Rand) and not exceeding R100,000 (One Hundred Thousand Rand)	
Chief Executive Officer Chairman BOD	Financial Director Or 2 (two) other BOD members
VALUE EXCEEDING R100,000 (One Hundred Thousand Rand)	
The BOD	

11.1 **Budgeted Expenditure**

The CEO may authorise any capital or operating expenditure that has been approved by the BOD and/or is reflected in the Annual Financial Budget approved by the BOD.

11.2 **Unbudgeted Expenditure**

In the event of it being necessary and in the best interests of the company to incur expenditure which is not provided for in the Annual CAPEX or Operations Budget, the CEO on any single monthly transaction is authorised to incur unbudgeted expenditure as set out below:

11.2.1 for an amount not exceeding R50,000.00 (Fifty Thousand Rand) after having received prior approval from the Financial Director of MSA.

11.2.2 for an amount exceeding R50,000.00 (Fifty Thousand Rand) but not exceeding R100,000.00 (One Hundred Thousand Rand) after having received prior approval from the Chairman of the BOD and the Financial Director of MSA, such expenditure to be formally reported to the BOD in writing, and recorded in the Minutes of the next BOD meeting.

11.2.3 for an amount exceeding R100,000.00 (One Hundred Thousand Rand) after having received prior approval from the BOD, such expenditure to be formally reported to the BOD in writing, and recorded in the Minutes of the next BOD meeting.

11.3 The authority as prescribed in 11.2 above shall not be transferred or delegated to any other member of the company staff.

11.4 **With reference to 11.2.2 above:** In the event of expenditure which is considered by the CEO as urgent and the MSA Chairman and/or Financial Director not being available, such approval may be given by 3 (three) other members of the BOD.

12. **SERVICE CONTRACTS**

12.1 For the purpose of these regulations, a Service Contract shall mean any agreement or arrangement of whatever nature between a consultant, agent, supplier or contractor for which the company will be financially liable for services rendered.

12.2 The entering into any contract or service agreement for and on behalf of the company shall at all times bear the signature of approval of the CEO.

12.3 To enter into any contract or service agreement that has not been provided for in the Annual Finance Budget, the following authorisation is required by the CEO:

12.3.1 for any amount not exceeding R10,000.00 (Ten Thousand Rand) per annum – approval at the discretion of the CEO.

12.3.2 for an amount exceeding R50,000.00 (Fifty Thousand Rand) per annum – approval from either the Chairman of MSA, or the Financial Director.

12.3.3 for an amount exceeding R50,000.00 (Fifty thousand Rand) but less than R100,000.00 (One Hundred Thousand Rand) per annum – approval of both the Chairman of MSA and the Financial Director.

12.3.4 for an amount exceeding R100,000.00 (One Hundred Thousand Rand) per annum – approval from the MSA BOD with such approval being recorded in the Minutes of the relevant BOD meeting.

12.4 At all times the required authority must be obtained prior to entering into any contractual arrangement.

12.5 **Signatories:** Subject to and in addition to 12.2 above, all contractual documents where the total annual financial liability exceeds R100,000.00 (One Hundred Thousand Rand) shall bear the signature of the Chairman or the Financial Director unless prior authority is given by the BOD empowering the CEO to be the sole signatory.

13. **STAFF EMPLOYMENT**

13.1 The CEO is authorised to employ the services of permanent or temporary staff without reference or approval of the BOD subject to the following:

13.1.1 the remuneration for services of any one person (including company employment benefits) does not exceed R200,000.00 (Two Hundred Thousand Rand) per annum or divisible thereof on a monthly pro-rata basis (R16,667.00 – Sixteen Thousand Six Hundred and Sixty-Seven Rand per month);

13.1.2 the position is not one of Management;

13.1.3 provision has been made, in the case of staff expansion, in the annual financial budget submitted to the BOD.

13.2 The CEO shall seek the approval of the BOD to employ the services of a person to fill a managerial position and/or consultancy position whereby the remuneration exceeds the amount outlined in clause 13.1.1 above. The CEO will report on such appointments to the BOD.

13.3 The remuneration amount as referred to in par 13.1.1 above may be adjusted upwards by the Remuneration Committee on an annual basis in accordance with employment inflation indices.

13.4 The position of a staff member in a managerial position may not be made redundant without prior notification to the BOD.

13.5 **General:** The CEO or any MSA staff member may not borrow any money on behalf of, mortgage, or encumber any assets or property of MSA or part thereof, or furnish or be signatory to any security, suretyship, guarantee or indemnification without having received written consent from the BOD prior to entering into such an agreement.

SECTION 5 - MANAGEMENT COMMITTEE (ManCom)

14. **AUTHORITY AND OBJECTIVES**

14.1 The administration and management of the affairs and business of MSA has been vested in ManCom and it has full powers to act within the scope of the policy of MSA as laid down by the BOD and to exercise such functions as the BOD may from time to time request.

14.2 ManCom shall at all times remain subject to the overriding control of the BOD, and the BOD shall have the authority to veto any Resolution of ManCom should it deem such Resolution not to be in the best interests of MSA or the sport in general.

14.3 ManCom shall have all the powers conferred upon it and may exercise these powers as follows:

14.3.1 Any powers and duties not vested in the Sporting Commissions, Specialist Panels, Regional Committees or sub-committees.

14.3.2 To decide policy on secretarial, administration, financial and staff matters, subject to the final approval of the BOD.

14.3.3 The right to decide and adjudicate on any urgent question relating to motorsport within South Africa, Lesotho and Swaziland which is not covered in the MOI, MSA's Strategic

Plan or in the current MSA Handbook and Appendices, or on matters not covered by the Secretariat.

- 14.3.4 To overrule any decision, other than judicial, of a Sporting Commission, Specialist Panel, Regional Committee and sub-committee which has, in the opinion of ManCom, an impact on the business of MSA and which has not been ratified by ManCom.
- 14.3.5 Approve proposed additional staff appointments. In the case of appointments at management level, these will be reported to the BOD for ratification.
- 14.3.6 To decide on applications for membership or affiliation to MSA of individual clubs, associations and commercial organisations who comply with the provisions of Art. 11 of MSA's MOI, and as further set out in Arts. 11.4.7 and 36.3.1 of MSA's MOI.
- 14.3.7 To direct the holding of Courts of Enquiry and Appeal Courts.
- 14.3.8 Such additional powers that may from time to time be conferred upon it by the BOD.

15. **STRUCTURE**

ManCom shall consist of:

- 15.1 the Chief Executive Officer;
- 15.2 persons appointed as Managers;
- 15.3 any other position(s) as determined by the BOD from time to time.

The chairman of ManCom will be the CEO. If the CEO is unable to attend a meeting, the meeting shall elect a chairman from amongst the members, providing a quorum is present. (Ref. Art. 36.5.3 of MSA's MOI.

16. **RESPONSIBILITIES AND DUTIES**

The BOD delegates to ManCom such of its powers and responsibilities as it may from time to time decide either generally or specifically as laid down in the MOI, MSA's Strategic Action Plan and Objectives, and these Internal Rules and Regulations. The entrusted responsibilities and duties of ManCom are as follows:

16.1 **Finance and Administration**

- 16.1.1 To meet not less than once per month, with Minutes of such meetings being circulated to all ManCom members immediately after each meeting and with the BOD being kept fully informed of all decisions taken by ManCom. Minutes of ManCom meetings must also be made available to the BOD if required.
- 16.1.2 To study the annual operations and capital expenditure budgets prior to submission to the BOD for approval.
- 16.1.3 To manage the company's financial and administrative affairs within the resources and parameters which are established by the BOD.
- 16.1.4 To consider requests from the CEO for funding arising from the activities of Sporting Commissions, Specialist Panels, Committees, or sub-committees which have not been provided for in the annual financial motorsport budget.
- 16.1.5 To decide upon requests for unbudgeted expenditure in accordance with the financial regulations and authorisation parameters. (Refer Section 4).
- 16.1.6 To study all contracts and/or agreements irrespective of the nature with an employee, consultant, sponsor, broadcaster, agent or contractor prior to approval being given in terms of authority provided by the BOD.
- 16.1.7 To determine from time to time all fees, levies and scale of fines which are laid down in Appendix "R" of the MSA Handbook.
- 16.1.8 To approve the annual financial budgets of the Sporting Commissions, Specialist Panels, Regional Committees, sub-committees and any special projects.
- 16.1.9 To facilitate the development of a customer service culture throughout the Secretariat.
- 16.1.10 To ensure sustainable and meaningful "Social Responsibility" programmes (protection of the environment, attracting and involving the youth, disabled persons and equal opportunities for women) are in place and are being implemented.

16.2 **Commissions, Panels, Committees**

- 16.2.1 To recommend to the BOD the creation of additional Sporting Commissions, Specialist Panels, Committees or sub-committees to exercise such functions for the control, promotion and development of motorsport in South Africa where deemed necessary.
- 16.2.2 To revoke, alter or amend the rights, powers and functions delegated by ManCom to any person or group of persons at its sole discretion.
- 16.2.3 To remove summarily on notice any MSA appointed member of a MSA Sporting Commission, Specialist Panel, Committee, or sub-committee should such a member act in a manner which is prejudicial to the interest of MSA or motorsport in general or should their actions not adhere or conform to MSA policy, Strategic Plan, these Rules and Regulations, and instructions issued from time to time by the BOD or the CEO. A resolution of this nature must be made at a meeting of ManCom by majority vote (the chairman having a casting as well as a deliberative vote), provided that a quorum is present at the said meeting, and reported to the BOD. (Ref. Arts. 36.5.3 and 36.5.4 of MSA's MOI).
- 16.2.4 To decide, upon recommendation of the CEO, nominations in respect of membership of the Commissions of the FIA, FIM, CIK and FIM AFRICA.
- 16.2.5 All ManCom members are required to attend a "Presidents' Forum" with all Commission Presidents, at least once per annum.

16.3 **Other**

- 16.3.1 To decide upon the holding of any congresses, seminars or meetings locally and to recommend to the BOD for approval the attendance of MSA delegates to any international congresses, seminars, meetings or events outside the borders of South Africa if such attendance has a financial impact on MSA.
- 16.3.2 To decide upon the participation of MSA competition licence holders, officials, members of Commissions, Panels or Committees in any event of a competitive motorsport nature either locally or internationally if such has a financial impact on MSA, but subject to ratification by the BOD.
- 16.3.3 To deal with day-to-day matters that cannot await a meeting of the relevant Commissions, Panels or Committees.
- 16.3.4 To consider nominations for National Colours submitted by Sporting Commissions and where appropriate, to submit such applications to SASCOC for approval.
- 16.3.5 Members may not divulge confidential matters of the company or other matters of whatever nature, learned in their capacity as a member of ManCom, or discussed in meetings, to anyone without the authority of the BOD.
- 16.3.6 Members may never permit a conflict of duties and interests. Should there be a potential conflict of interest when dealing with or being party to any decisions or voting process, a ManCom member shall declare the interest, direct or indirect, material or otherwise.
- 16.3.7 With reference to clause 2.3.5, a ManCom member with a declared interest may partake in a debate surrounding the subject of the declared interest - without endeavouring to influence other members - but may not participate in any voting process.

SECTION 6 – SPORTING COMMISSIONS

17. **PURPOSE**

The CEO and Secretariat of MSA shall be assisted in their duties and responsibilities by Sporting Commissions who will endeavour to ensure the smooth running, promotion and development of the particular facet of the sport for which they are responsible.

18. **COMMISSIONS**

- 18.1 Car Circuit Racing Commission
- 18.2 Drag Racing Commission (incorporating Spinning and Drifting)
- 18.3 Historic Motorsport Commission
- 18.4 Karting Commission
- 18.5 Motocross Commission (incorporating SuperMoto and Quad MX)
- 18.6 Motorcycle Circuit Racing Commission

- 18.7 Motorcycle Off Road, Enduro, Quad & Trials Commission
- 18.8 Off Road Car Racing Commission
- 18.9 Oval Racing Commission
- 18.10 Rally Commission
- 18.11 Such other commissions as the BOD may from time to time decide to create

19. **STRUCTURE OF COMMISSIONS**

- 19.1 The structure of new and existing Sporting Commissions shall be determined by the BOD acting on the recommendation of ManCom. (Ref. Art. 37.4.1 of MSA's MOI).
- 19.2 The President of each Commission shall be appointed by the BOD in consultation with the CEO and ManCom. (Ref. Art. 37.4.2 of MSA's MOI).
- 19.3 A Vice President of a Commission may be elected annually by the members of that Sporting Commission from amongst its members. (Ref. Art. 37.4.5 of MSA's MOI).
- 19.4 Executive Committees for each Sporting Commission shall be appointed by the CEO and the Commission President, in consultation with the members of the Commission concerned – as set out in the Terms of Reference & Operating Principles of every Commission.
- 19.5 The maximum number of members of a Commission (Commission Exco as set out in the Terms of Reference & Operating Principles of every Commission) shall be 10 (ten) including the Commission President, experts and any MSA appointees appointed by the CEO.

20. **ELECTION PROCESS**

- 20.1 The term of office of all Commission members (including the Commission President) shall be 3 (three) years, as set out in Arts. 37.5.3 – 37.5.7 of MSA's MOI.
- 20.2 The Election and Appointment process for each Commission shall be as set out in the Terms of Reference & Operating Principles of every Commission.
- 20.3 When calling for nominations for the various Commissions during the election year, the MSA Secretariat must provide a minimum of 14 (fourteen) days' notice to all relevant parties for such nominations to be submitted.
- 20.4 Once nominations are received, the Secretariat will send Ballot Papers listing the names of all candidates received to all relevant parties, requesting them to vote for a candidate (or more than one candidate where applicable). A minimum of 7 (seven) days' notice for such voting process must be provided.
- 20.5 In instances where only one candidate is nominated for a specific position, the parties concerned will nevertheless still be required to cast votes for the candidate so nominated to ensure that the nominee receives a simple majority of votes cast.
- 20.6 In instances where the same candidate is nominated by all relevant parties, an election process still has to take place for the election of the said candidate as a 'nominated' candidate cannot be considered as an 'elected' candidate.
- 20.7 Successful candidates will be elected by a simple majority of votes cast. Should there be more than one candidate for a particular position, the system whereby the candidate obtaining the lowest number of votes at each successive ballot withdraws, shall be applied. 10 (ten) days' notice will be provided for every subsequent voting process.
- 20.8 In the event of interim elections or appointments during a term of office to fill a vacancy, the candidate shall be elected or appointed only for the remaining period.

21. **AUTHORITY, DECISION MAKING & OBJECTIVES**

- 21.1 Commissions provide the strategic and technical leadership necessary to ensure that the categories of motorsport for which they are responsible, meet their current and future potential, and to promote and provide the opportunity for the growth of the specific categories at all levels.
- 21.2 The "Related MSA Action Plan Objectives" for the various Commissions are set out in the Terms of Reference & Operating Principles of the various Commissions.
- 21.3 Compile, set, implement and enforce sporting and technical regulations and any possible amendments to technical regulations for the category of motorsport for which they are responsible.

- 21.4 Explore potential opportunities and/or to carry out responsibilities outlined in the Terms of Reference for each individual Commission.
- 21.5 Appoint Working Groups (their respective Chairs and members) to investigate/work on specific activities within the Commission Work Plan.
- 21.6 Invite experts in a particular subject area to participate in specific discussions at meetings or work related to their area of expertise (such experts will have no voting rights).
- 21.7 Approve Regional Sporting and Technical Regulations and peruse Regional Championship dates set by Regional Committees.
- 21.8 Determine and set points scoring system for their relevant National Championship categories.
- 21.9 Determine the minimum number of starters for National Championships (for submission to the BOD for ratification).
- 21.10 Determine the allocation of SA National Championship status for categories for which the relevant Commission is responsible, subject to the BOD having to ratify the introduction of all new proposed National Championships within the category.
- 21.11 Determine the number of rounds in each National Championship category in conjunction with Associations, Promoters and Principle Sponsors.
- 21.12 For all MSA Championships the following decisions must be ratified by the CEO and relevant Sporting Manager:
 - 21.12.1 Sporting and technical decisions that may have a financial, environmental, medical and/or judicial implication;
 - 21.12.2 Calendar.
- 21.13 All contracts must be compiled in consultation with the CEO. Commissions may not negotiate or enter into any contract with any third party without the prior written approval of the MSA BOD (via the CEO).
- 21.14 **Commitment of Commission President and Members:**
 - 21.14.1 Work by consensus.
 - 21.14.2 Assume responsibility for specific tasks and deliver within the agreed time frames.
 - 21.14.3 Communicate concerns and doubts about Commission decisions and/or the process within the Commission and "speak with one voice" once the Commission's recommendations have been agreed upon.
 - 21.14.4 Treat discussions within the Commission as works in progress, recognising that recommendations may be altered in order to enhance co-ordination and harmonisation of different disciplines within MSA.
 - 21.14.5 Be accessible by e-mail and by other electronic means such as Skype, Conference Call or other means that may be determined by ManCom from time to time.
 - 21.14.6 Respond to requests for input within a minimum of 72 hours to maximum 7 days depending upon the situation, and agree that where circumstances prevent participation, that everyone will respect and support the consensus of the rest of the Commission.
- 21.15 **Specific Responsibilities and Accountability:**
 - 21.15.1 Commissions remain accountable to the BOD at all times.
 - 21.15.2 The specific responsibilities of all Commissions are contained in the Terms of Reference and Operating Principles for each individual Commission.
 - 21.15.3 To ensure that the BOD is fully informed of all activities within motorsport and in a position to make informed decisions, Commission Presidents are required to provide written reports on achievements, implementation of Work Plan items, targets, etc. to the CEO for submission to the BOD at least twice per annum (preferably end June and November).

- 21.15.4 Commission Presidents may furthermore be invited to attend BOD meetings (at the discretion of the MSA Chairman) to personally submit reports on their achievements, implementation of Work Plan items, targets, etc. to the BOD.
- 21.15.5 To ensure harmony and closer working relationship between the various Commissions and ManCom, Commission Presidents are required to attend a "Presidents' Forum" (at which ManCom members will be present) at least once per annum.
- 21.15.6 Commission Presidents are required to attend at least one meeting per annum of all regional committees to ensure that they are fully aware of and informed of all category activities within the various regions.
- 21.15.7 Commissions do not have the authority to decide on administrative or financial matters which may have a direct impact on MSA and such must be referred to the CEO.
- 21.15.8 To make such recommendations for the consideration by ManCom and/or the BOD as the Sporting Commission deems desirable in the interests of motorsport generally and in the interests of the particular motorsporting activity/category for which they are responsible.
- 21.15.9 To ensure that all members of the Commission (and competitors where necessary) are informed about any directives issued by the BOD and/or ManCom from time to time.
- 21.15.10 To ensure that the final version of sporting and technical regulations for categories under the auspices and control of a Commission is submitted to the MSA Sporting Services Managers by no later than 30th August each year.
- 21.15.11 To assist the Sporting Services Manager/s and the MSA Secretariat in the compilation of a national championship calendar in conjunction with Associations, Clubs, Circuit/venue owners and Promoters for both circuit and non-circuit events.
- 21.15.12 To advise the MSA Sporting Services Manager/s of any amendments required to technical or sporting rules and regulations during the year. The MSA Secretariat will issue and publish such amendments (provided they are in compliance with MSA policy and strategy) by way of a National Circular. Only Circulars published by the Secretariat of MSA and signed by the relevant Sporting Services Manager (having received the prior written approval of the relevant Commission President), will be considered as official.
- 21.15.13 To liaise with the MSA PR & Communications Coordinator regarding the issuing of media releases and posting of releases on the MSA website. No release which may be construed as controversial may be issued by Commissions without the prior written approval of the CEO.
- 21.15.14 **Confidentiality:** Members will not divulge confidential matters of the company or other matters of whatever nature, learned in their capacity as a Commission member, or discussed at meetings, to anyone without the written authority of the CEO.
- 21.15.15 Ensure that they are in a position to make informed decisions.
- 21.15.16 **Conflict of Interest:** Members must never permit a conflict of duties and interests. Should there be a potential conflict of interest when dealing with or being party to any decisions or voting process, a Commission member shall declare the interest, direct or indirect, material or otherwise.
- 21.15.17 With reference to paragraph 21.15.16, a Commission member with a declared interest may partake in a debate surrounding the subject of the declared interest - without endeavouring to influence other members - and may not participate in any voting process.
- 21.16 Members must at all times ensure that their actions and decisions will not bring MSA, the Commission or motorsport, into disrepute.
- 21.17 Commissions may not directly or indirectly extend invitations to the Minister of Sport, an MEC for Sport, any representatives from Sport & Recreation, SASCO, or any other Government representative/official, as the Protocol Guidelines of these bodies require all invitations to come directly from the National Federation.

22. **LEVIES/FEES – TRUST FUNDS**

- 22.1 Should a Commission decide to implement any fee or levy on a motorsport competitor, club and/or event organiser as set out in Section 2 (“Chief Executive Officer”) of these Internal Regulations, no external banking account for such funds may be opened by the Commission or any of its members, and all such fees and/or levies collected, shall be administered by MSA in an internal Trust Account specifically opened in the name of the Commission for such fees and/or levies.
- 22.2 Commission Exco Members must provide the CEO of MSA with a laid down set of objectives for Trust Funds, and/or the objectives of the structure for which such Trust is operated.
- 22.3 No payments will be made from Commission Trust Accounts for the purchase of goods, payment of services of whatever nature, travel or other expenditure items if such expenditure is not within the laid down objectives and/or the objectives of the structure for which the Trust Fund is intended.
- 22.4 Commission Exco Members must provide the CEO with the names of three signatories (one being the Commission President) who have been nominated by the Commission Exco to approve payments from such Trust Accounts. No payments will be processed unless at least two of the nominated signatories (one being the Commission President) have signed the relevant documents/invoices and authorised payment.
- 22.5 The MSA Financial Manager or Accountant will send a copy of the Trust Account’s General Ledger to all relevant Commission Exco members each month.

SECTION 7 – SPECIALIST PANELS

23. **OBJECTIVES AND AUTHORITY**

The CEO and the Secretariat shall be assisted in their duties and responsibilities by Specialist Panels with regard to the Panel’s particular field of expertise.

24. **PANELS**

- 24.1 Circuit/Venue Owners Panel
24.2 Environmental Panel
24.3 Medical Panel
24.4 Women in Motorsport Panel
Such other Panels as the CEO of MSA may from time to time recommend to the BOD.

25. **STRUCTURE OF PANELS**

- 25.1 The structure of the various Panels shall be determined by ManCom.
- 25.2 Due to the varying fields of expertise of Specialist Panels, there can be no specific laid-down structures for the various Panels. However, the CEO is responsible for ensuring that all aspects of the fields of expertise of a particular Specialist Panel are catered for within the Panel.
- 25.3 The President of each Specialist Panel shall be appointed by the BOD on the recommendation of the CEO. (Ref. Art. 38.4.1 of MSA’s MOI)
- 25.4 The term of office of all Panel members (including the Panel President) shall be as set out in Arts. 38.5.2 – 38.5.6 of MSA’s MOI.
- 25.5 A Vice-President of each Specialist Panel may be elected annually by the members of that Panel from amongst its members. (Ref. Art. 38.4.2)
- 25.6 The number of Panel members will be determined by Panel President in consultation with ManCom, each with demonstrated skills/understanding of one or more of the motorsport categories under MSA’s control. All MSA recognised motorsport regions should be represented on Panels.
- 25.7 In instances where Panel members are elected, the same nomination and voting process applicable for Commissions, will be followed by ManCom for all elected posts on the various Panels.
- 25.8 **Circuit/Venue Owners Panel**
- 25.8.1 The structure of the Circuit/Venue Owners Panel shall be determined by the Panel President in consultation with the CEO, and shall make provision for all circuit/venue owners to be represented on the Panel.
- 25.8.2 The Panel President may, at his/her discretion and in consultation with the CEO, elect an Exco who will be responsible for day to day queries, but it is compulsory for circuit owners and non-circuit venue owners to have equal representation on the said Exco.

- 25.8.3 The Objectives, Authority, Duties and Responsibility of the Circuit/Venue Owners Panel are contained in the Terms of Reference & Operating Principles for this Panel.

25.9 **Environmental Panel**

- 25.9.1 The structure of the Environmental Panel shall be determined by the Panel President in consultation with the CEO, and shall make provision for regional representatives on the Panel.
- 25.9.2 Regional representatives on the Panel will automatically represent the Panel on the various MSA Regional Committees.
- 25.9.3 The Panel President may, at his/her discretion and in consultation with the CEO, elect an Exco who will be responsible for day to day queries relating to environmental issues.
- 25.9.4 The Panel President may, at his/her discretion, appoint Working Groups to deal with specific matters and/or projects under the auspices of the Panel.
- 25.9.5 The Authority, Duties and Responsibility of the Environment Panel are set out in the MSA Environment Code in the MSA GCR Handbook and also contained in the Terms of Reference & Operating Principles for this Panel.

25.10 **Medical Panel**

- 25.10.1 The structure of the Medical Panel shall be determined by the Panel President in consultation with the CEO, and shall make provision for regional representatives on the Panel, who shall automatically hold the position of Medical Representative on the various MSA Regional Committees.
- 25.10.2 The Panel President may, at his/her discretion and in consultation with the CEO, elect an Exco who will be responsible for day to day queries relating to medical issues.
- 25.10.3 The Panel President may further, at his/her discretion, appoint Working Groups to deal with specific matters and/or projects under the auspices of the Panel.
- 25.10.4 The objectives of the Medical Panel are set out in Appendix L of the MSA GCR Handbook and the Authority, Duties and Responsibility of the Medical Panel are contained in the Terms of Reference & Operating Principles for this Panel.

25.11 **Women in Motorsport Panel**

- 25.11.1 The structure of the Women in Motorsport Panel shall be determined by the Panel President in consultation with the CEO, and shall make provision for regional representatives on the Panel – provided that there are not less than 30 female competitors in the specific region.
- 25.11.2 Regional representatives on the Panel will automatically represent the Panel on the various MSA Regional Committees with a view to further, grow and promote women in motorsport at club and regional level as well.
- 25.11.3 The Panel President may, at his/her discretion and in consultation with the CEO, elect an Exco who will be responsible for day to day queries relating to women in all categories of motorsport.
- 25.11.4 The Panel President may, at his/her discretion, appoint Working Groups to deal with specific matters and/or projects under the auspices of the Panel.
- 25.11.5 The Authority, Duties and Responsibility of the Women in Motorsport Panel are set out in the Terms of Reference and Operating Principles for this Panel.

25.12 **General Authority, Responsibility and Duties**

Although the Authority, Responsibility and Duties of the Panels vary according to the specific field of motorsport for which they are responsible, they are in general:

- 25.12.1 To ensure that all decisions taken regarding regulations, competitions and any other projects, are run in accordance with General Competition Rules, Standing Supplementary Regulations, MSA's Strategic Plan, and other motorsport regulations issued by MSA from time to time.

- 25.12.2 After consultation with, and with the approval of the relevant Sporting Commission President (or other relevant Specialist Panel President where applicable), to confirm from time to time, any Rules and Regulations applicable to the particular specialist field of motorsport falling within its jurisdiction.
- 25.12.3 To ensure that all steps are taken to protect the safety of competitors during an automobile, motorcycle, or kart in a race, test, attempt at a record, regularity trial, rally, touring assembly and event.
- 25.12.4 Where applicable, to ensure that all facets of the sport and all regions are catered for within the Specialist Panel and where applicable, are represented on the Panel.
- 25.12.5 To take decisions as directed by the CEO and/or the BOD that fall outside the normal activities and responsibilities of Specialist Panels.
- 25.12.6 To compile national regulations, parameters and guidelines for the specialist activity for which the Panel is responsible, subject to the overriding approval of the CEO and/or the BOD, and/or the relevant Sporting Commission President.
- 25.12.7 To exercise such judicial powers and functions as may from time to time be specifically delegated to it by the CEO and/or BOD and to ensure that all members of the Panel are informed about any directives issued by the BOD, CEO or ManCom.
- 25.12.8 To ensure that all members of the Panel have the necessary expertise, experience and/or qualifications to decide on issues relating to the specialist field for which the Panel is responsible.
- 25.12.9 To hold training workshops, seminars and/or any other necessary forums and/or meetings, to ensure that all Panel members are qualified at all times to perform the duties required of them, in a satisfactory manner.
- 25.12.10 To ensure the Panel functions within the agreed financial parameters provided by the CEO of MSA.
- 25.12.11 To assist, give direction and advice to clubs, event organisers and competitors in all aspects of the specialist field in question, which includes the answering of questions that are not addressed in the relevant rules or regulations, and any specific instructions applicable to the specialist field concerned.
- 25.12.12 In consultation with the CEO, to make such recommendations for the consideration of the BOD as the Specialist Panel deems desirable in the interest of motorsport generally, and the specialist field for which they are responsible.
- 25.12.13 To consult with the CEO of MSA over matters of a contentious nature or on problems within a category or facet of motorsport relating to their specific field. Where the President representing the Specialist Panel and CEO and/or ManCom cannot reach agreement, the matter shall be referred to the BOD for a decision and/or directive.
- 25.12.14 To actively promote and market, where applicable, the specialist field for which the Panel is responsible, following consultation with the CEO.
- 25.12.15 **Confidentiality:** Members may not divulge confidential matters of the company or other matters of whatever nature learned in their capacity as Panel members, or discussed at meetings, to anyone without the written approval of the CEO.
- 25.12.16 Members must ensure that they are in a position to make informed decisions.
- 25.12.17 **Conflict of Interest:** Members may never permit a conflict of duties and interests. Should there be a potential conflict of interest when dealing with or being party to any decisions or voting process, a Panel member shall declare the interest, direct or indirect, material or otherwise.
- 25.12.18 With reference to paragraph 8.17, a Panel member with a declared interest may partake in a debate surrounding the subject of the declared interest – without endeavouring to influence other members – and may not participate in any voting process.

25.12.19 Members with vested, direct or indirect interest in any category or facet for which the Panel is responsible, may not use his/her position as a member of the Panel to secure personal sponsorships or business deals.

25.12.20 Members must at all times ensure that their actions and decisions will not bring MSA, motorsport or any activity within the auspices of the Panel, into disrepute.

25.13 **Commitment of Panel President and Members:**

25.13.1 Work by consensus.

25.13.2 Assume responsibility for specific tasks and deliver within the agreed time frames.

25.13.3 Communicate concerns and doubts about Panel decisions and/or the process within the Panel and "speak with one voice" once the Panel's recommendations have been agreed upon.

25.13.4 Treat discussions within the Panel as works in progress, recognising that recommendations may be altered in order to enhance co-ordination and harmonisation of different disciplines within MSA.

25.13.5 Be accessible by e-mail and by other electronic means such as Skype, Conference Call or other means that may be determined by ManCom from time to time.

25.13.6 Respond to requests for input within a minimum of 72 hours to maximum 7 days depending upon the situation, and agree that where circumstances prevent participation, that everyone will respect and support the consensus of the rest of the Panel.

25.14 **Exclusion of Authorities**

Notwithstanding anything contained in this section, a Specialist Panel, its President or any Panel member or sub-committee of the Panel are not authorised to:

25.14.1 Make policies or decisions of any nature which will have a financial impact on MSA without having obtained written authorisation from the CEO or BOD.

25.14.2 With the exception of the Circuit/Venue Owners Panel, enter into any Sponsorship, Barter, Service or General Contract, which means any agreement or arrangement whether written or oral "of whatever nature" between a sponsor, marketing company or agent, broadcasting or visual recording producing company or agent, publishing and media company or agent, supplier of goods or services, contractor for which the company will be financially liable for goods or services rendered, without having obtained the written authorisation of the CEO.

25.14.3 With the exception of the Circuit/Venue Owners Panel, Specialist Panels must liaise with the MSA PR & Communications Coordinator regarding the issuing of media releases and posting of these on the MSA website. No release which may be construed as controversial, may be issued by Specialist Panels without the prior written approval of the CEO.

25.14.4 Directly or indirectly extend invitations to the Minister of Sport, and MEC for Sport, or any other representatives from Sport & Recreation, SASCOC, or any other Government representative/official as the Protocol Guidelines of these bodies require all invitations to come directly from the National Federation.

26. **LEVIES/FEES – TRUST FUNDS**

26.1 With the exception of the Circuit/Venue Owners Panel, should a Panel decide to implement any fee or levy on a motorsport competitor, club and/or event organiser as set out in Section 2 ("Chief Executive Officer") of these Internal Regulations, no external banking account for such funds may be opened by the Panel or any of its members and all such fees and/or levies collected, shall be administered by MSA in an internal Trust Account specifically opened in the name of the Panel for such fees and/or levies.

26.2 The Panel President must provide the CEO with a laid down set of objectives for Trust Funds, and/or the objectives of the structure for which such Trust is operated.

26.3 No payments will be made from Panel Trust Accounts for the purchase of goods, payment of services of whatever nature, travel or other expenditure items if such expenditure is not within the laid down objectives and/or the objectives of the structure for which the Trust Fund is intended.

- 26.4 No payments from such Trust Accounts will be processed unless the CEO and the Panel President have signed the relevant documents/invoices and authorised payment.
- 26.5 The MSA Financial Manager or Accountant will send a copy of the Trust Account's General Ledger to all relevant Panel Presidents each month.

SECTION 8 – REGIONAL COMMITTEES

27. REGIONS

Regional Committees shall be constituted in such regions within South Africa as may be determined from time to time by the BOD.

28. PURPOSE

28.1 To work with, assist and inform the MSA Secretariat in respect of regional motorsport matters, compliance with sporting and technical regulations set by Commissions and to ensure the smooth running and growth of all motorsport categories within the region.

28.2 To ensure harmony, standardisation of rules and regulations and closer working relationships between the various regions and ManCom, all Regional Chairmen will meet at least once per annum with ManCom to discuss regional motorsport matters and/or to raise any queries relating to the regions.

29. COMPOSITION

29.1 The number of members and the composition of each Regional Committee shall be determined from time to time by ManCom. (Ref. Art. 39.2.1)

29.2 In determining the composition and number of members of Regional Committees, the ManCom shall take into account:

29.2.1 the number of clubs in the region;

29.2.2 the number of events in each region;

29.2.3 the number of different categories in each region;

29.2.4 the number of competitors in each category in the region;

29.2.5 the number of regional championships for the various categories in each region;

29.2.6 the number of "A" & "B" Grade Officials, as well as the number of Enviro Stewards in each region.

30. ELECTION PROCESS

30.1 The term of office of all Regional Committee members (including the Chairman) shall be 3 (three) years, as set out in Arts. 39.2 – 39.4 of MSA's MOI.

30.2 The Election and Appointment process for each Regional Committee shall be as set out in the Terms of Reference & Operating Principles for Regional Committees.

30.3 When calling for nominations for the various Regional Committees during the election year, the MSA Secretariat must provide a minimum of 14 (fourteen) days' notice to all relevant parties for such nominations to be submitted.

30.4 Once nominations are received, the Secretariat will send Ballot Papers listing the names of all candidates received to all relevant parties, requesting them to vote for a candidate (or more than one candidate where applicable). A minimum of 7 (seven) days' notice for such voting process must be provided.

30.5 In instances where only one candidate is nominated for a specific position, the parties concerned will nevertheless still be required to cast votes for the candidate so nominated to ensure that the nominee receives a simple majority of votes cast.

30.6 In instances where the same candidate is nominated by all relevant parties, an election process still has to take place for the election of the said candidate and a 'nominated' candidate cannot automatically be considered as an 'elected' candidate.

30.7 Successful candidates will be elected by a simple majority of votes cast. Should there be more than one candidate for a particular position, the system whereby the candidate obtaining the lowest number of votes at each successive ballot withdraws, shall be applied. 10 (ten) days' notice will be provided for every subsequent voting process.

30.8 In the event of interim elections or appointments during a term of office to fill a vacancy, the candidate shall be elected or appointed only for the remaining period.

31. **OBJECTIVES, AUTHORITY**

31.1 The duty of each Regional Committee is to advise, assist and inform the Secretariat in respect of regional motorsport matters.

31.2 Regional Committees shall have such authority and control in motorsport matters within the regional limits assigned to them and as set out in the Terms of Reference & Operating Principles for Regional Committees.

31.3 Regional Committees shall consider and recommend applications for corporate membership from clubs and/or associations with the region. In making its recommendations to ManCom, the Regional Committee concerned shall take into account whether the club and/or association meet the criteria set out in Art. 11.1 of MSA's MOI.

31.4 Regional Committees shall have no power to incur any financial obligations in the name of MSA, or power to bind or pledge the credit of MSA in any way whatsoever within the written approval of the CEO.

31.5 Regional Committees shall not have the power or the duty to:

31.5.1 Make regional policies that conflict in any way with national rules, regulations, instructions and policies; or

31.5.2 Amend or add to any national rules, regulations, instructions or policies without the prior written approval of ManCom and/or Sporting Commission concerned; or

31.5.3 Draw up Regional rules, regulations or specifications in conflict with National rules, regulations or specifications without the prior approval of the Sporting Commission concerned.

31.6 Related MSA Action Plan Objectives of Regional Committees, are as set out in the Terms of Reference & Operating Principles for Regional Committees.

31.7 Decisions within Regional Committees will generally be made by consensus. If a formal vote is requested by a member of the committee, each member shall have one vote. The Chairman shall have a casting vote as well as a deliberative vote. Decisions that have been decided by the vote of the Chairman shall be referred to ManCom for ratification prior to implementation.

31.8 **Commitment of Regional Committee Chairmen and Members:**

31.8.1 Work by consensus.

31.8.2 Assume responsibility for specific tasks and deliver within the agreed time frames.

31.8.3 Communicate concerns and doubts about Regional Committee decisions and/or the process within the Committee and "speak with one voice" once the committee's recommendations have been agreed upon.

31.8.4 Treat discussions within the committee as works in progress, recognising that recommendations may be altered in order to enhance co-ordination and harmonisation of different disciplines within MSA.

31.8.5 Be accessible by e-mail and by other electronic means such as Skype, Conference Call or other means that may be determined by ManCom from time to time.

31.8.6 Respond to requests for input within a minimum of 72 hours to maximum 7 days depending upon the situation, and agree that where circumstances prevent participation, that everyone will respect and support the consensus of the rest of the committee.

31.9 **Specific Responsibilities and Accountability:**

31.9.1 The specific responsibilities of Regional Committees are contained in the Terms of Reference & Operating Principles for Regional Committees.

31.9.2 To ensure that they are fully aware of and informed of all category activities within the various regions, Commission Presidents are required to attend at least one meeting per annum of all regional committees.

31.9.3 To explore potential opportunities and/or carry out responsibilities outlined within the Terms of Reference & Operating Principles for Regional Committees.

- 31.9.4 Regional Committees may appoint Working Groups and/or Sub-Committees (their respective Chairs and members) to investigate/work on specific activities within the Regional Committee Work Plan.
- 31.9.5 Invite experts in a particular subject area to participate in specific discussions at meetings or work related to their area of expertise (such experts will have no voting rights).
- 31.9.6 Recommendations for matters such as the introduction of a new category and/or regional championship, must be referred to ManCom for ratification. If ManCom declines to ratify a recommendation received from a Regional Committee, it must provide the Committee with its rationale for not ratifying the recommendation and/or suggested amendments. The Committee, upon having reviewed the feedback from ManCom, may choose to put forward a revised recommendation and/or provide further background and rationale to support the original recommendation.
- 31.9.7 To ensure that all members of the committee (and competitors where necessary), are informed about any directives issued by the BOD and/or ManCom from time to time.
- 31.9.8 To ensure that the final version of sporting and technical regulations for categories under the auspices and control of a committee is submitted to the MSA Sporting Services Managers by no later than 1st October each year.
- 31.9.9 To advise the MSA Sporting Services Manager/s of any amendments required to technical or sporting rules and regulations during the year. The MSA Regional/Sports Co-ordinators will issue and publish such amendments (provided they are in compliance with MSA policy and strategy) by way of a Regional Circular (to be approved in writing by the Regional Chairman and signed by the relevant Regional/Sports Co-ordinator following consultation with the Sporting Services Manager). Only Circulars published by the Secretariat (Regional/Sports Co-ordinator concerned) and signed as stated above, will be considered as official.
- 31.10 The following decisions must be approved/ratified by the relevant Sporting Services Manager and Commission:
 - 31.10.1 Regional Sporting and Technical Regulations;
 - 31.10.2 Regional motorsport calendars;
 - 31.10.3 Regional Championship points scoring systems;
 - 31.10.4 Sporting decisions that may have a financial, environmental, medical and/or judicial implication.
- 31.11 To liaise with the MSA PR & Communications Coordinator regarding the issuing of Releases and posting of releases on the MSA website. No release which may be construed as controversial, may be issued by Regional Committees without the prior written approval of the CEO.
- 31.12 To hold Courts of Enquiry and Appeal Courts as and when required or as directed by the CEO and/or ManCom.
- 31.13 To make such recommendations for consideration by ManCom or the BOD as the case may be, and as the Regional Committee deems desirable and in the interests of motorsport in the regions.
- 31.14 To provide such assistance as may be specifically requested by the BOD and/or MSA Secretariat and/or Sporting Commission and/or Specialist Panel.
- 31.15 To seek assistance and advice when necessary from the Secretariat, ManCom or the CEO with the matter only being referred to the BOD if consensus cannot be reached between the Region and the CEO or ManCom.
- 31.16 To undertake the supply of deputations and/or delegates to attend upon such Government, Municipal, local and other authorities as may from time to time be deemed necessary by the CEO.
- 31.17 To obtain written approval from the CEO for any proposed extra-ordinary expenditure. No expenditure may be incurred by a regional committee without first having obtained written approval from the CEO.
- 31.18 Make decisions regarding MSA's internal administrative and financial policies or MSA staff-related issues, but regional committees may submit proposals with regard to these matters if deemed desirable to ManCom for consideration.

- 31.19 MSA staff-related matters may not be discussed at Regional Committee meetings and any problems and/or queries relating to a specific MSA staff member, shall be referred to ManCom in writing by the Regional Chairman concerned.
- 31.20 **Confidentiality:** Members will not divulge confidential matters of the company or other matters of whatever nature, learned in their capacity as a Regional Committee member, or discussed at meetings, to anyone without the written authority of the CEO of MSA.
- 31.21 Ensure that they are in a position to make informed decisions.
- 31.22 **Conflict of Interest:** Never permit a conflict of duties and interests. Should there be a potential conflict of interest when dealing with or being party to any decisions or voting process, a Regional Committee member shall declare the interest, direct or indirect, material or otherwise.
- 31.23 With reference to paragraph 31.22, a Regional Committee member with a declared interest may partake in a debate surrounding the subject of the declared interest - without endeavouring to influence other members - but may not participate in any voting process.
- 31.24 Members must at all times ensure that their actions and decisions will not bring MSA, the Regional Committee or motorsport into disrepute.
- 31.25 Regional Committees may not directly or indirectly extend invitations to the Minister of Sport, an MEC for Sport, and any representatives from Sport & Recreation, SASCOC, or any other Government representative/official, as the Protocol Guidelines of these bodies require all invitations to come directly from the National Federation.

SECTION : 9 – NATIONAL COLOURS CRITERIA

32. Nominations in respect of National Colours shall only be considered once a year and shall take the following criteria into account:
33. A formal *Application for Participation in an international event* (available on request from the MSA Secretariat) **must have been submitted** by the competitor to MSA at least 45 (forty-five) days prior to competing in the international event/s on which the Colours application is based.
34. The *Application for Participation in an international event* **must have been approved** by SASCOC in writing prior to the competitor taking part in the event/s.
35. Generally, Colours nominations shall only be considered for competitors who have:
- 35.1 Won a recognised South African National Championship title in the year under consideration, or the previous year; **and**
- 35.2 Taken part in, and finished within the first 20% of the field in an International event recognised by CIK, FIA, FIM or FIM Africa; **or**
- 35.3 Been selected by MSA on merit, to form part of an official South African Team taking part in an international event recognised by CIK, FIA, FIM or FIM Africa.
36. Nominations in respect of Colours must be made on the form prescribed by MSA and be accompanied by supporting documentation such as race/event result(s), event regulations, race/event programmes, press cuttings, etc. and must be submitted to the MSA Secretariat by no later than 15 October. Nominations received after this date will be carried over to the following year.
37. Copies of the nominee's passport and SA identity document must also accompany the nomination.
38. Colours nominations must be recommended by the relevant MSA Sporting Commission and submitted to the relevant MSA Sporting Services Manager.
39. The MSA Sporting Services Manager will submit the nomination for consideration by ManCom. Nominations approved by ManCom shall then be forwarded to SASCOC for final approval.

IMPORTANT NOTES:

Only the holders of valid and current South African passports shall be eligible to be considered to receive National Colours.

Only competitors who compete on a MSA competition licence, FIM licence (arranged by MSA), FIM Africa licence, or a licence issued by another federation with MSA's approval, shall be eligible to be considered to receive National Colours.