

March 2023

Dear Member

## **MEMBER TRUSTEE ELECTION 2023**

Two vacancies exist for member-elected Trustees on the Transmed Board of Trustees. The purpose of this communication is to provide information on the first of two steps in the process of electing Trustees to fill the vacancies, namely the call for the nomination of candidates. The second step is the Trustee election itself, which will take place once the nomination process has been concluded.

### **Call for nominations**

The Board of Trustees hereby invites nominations for candidates (nominees) from amongst the members of the Fund to stand for election to serve as Trustees on the Transmed Medical Fund Board of Trustees.

You are encouraged to participate in the election process and to assist the Fund in appointing the two member-elected Trustees. Even though not all members can be Trustees, you are able to participate in the election process and ensure that, in your view, the most appropriate members are nominated to represent the long-term interests of the Fund and its members.

### **Composition of the Board**

In terms of the Transmed Medical Fund rules and subject to the provisions of the Medical Schemes Act No 131 of 1998, as amended ('the Act'), the affairs of Transmed are managed by the Board of Trustees ('Board'), consisting of twelve (12) persons. Six (6) Trustees are elected by Transmed members from amongst members and six (6) are appointed by the Board. The rules provide for a five-year term of office for Trustees and retiring Trustees may stand for re-election or re-appointment.

### **How are candidates nominated?**

- a) Any principal member (continuation members included) may nominate fellow principal members to stand for election.
- b) The nominee (person nominated) must formally accept the nomination, thereby agreeing to fulfil the duties of a Trustee on the Board of Trustees if elected to office.

### **Who are the role-players in the nomination process?**

#### *The proposer*

The proposer is the person who nominates a member to stand for election as a Trustee. The proposer must be a principal member of Transmed Medical Fund.

#### *The nominee*

The nominee is the member who is being nominated to stand for election as a Trustee. The nominee must be a principal member of Transmed Medical Fund.

### **Who is eligible to be a Trustee?**

All principal members are eligible to stand as candidates (nominees) in the election on condition that they are active or continuation members of Transmed Medical Fund and comply with the criteria as set out in 'Qualification criteria' below.

### **Who is not eligible to be a Trustee?**

A person will not be able to hold office as a Trustee if he/she is:

- under the age of 21 years;
- declared mentally ill or incapable of managing his/her affairs;
- declared insolvent or has surrendered his/her estate for the benefit of his/her creditors;
- convicted, whether in the Republic of South Africa or elsewhere, of theft, fraud, forgery or uttering of a forged document, or perjury;

*Continued overleaf*

- removed by the Court from any office of trust on account of misconduct;
- disqualified under any law from carrying on his/her profession;
- not permanently resident in the Republic of South Africa;
- removed by the Council for Medical Schemes in terms of section 46 of the Act or any other legislation;
- a broker;
- the Principal Officer of the Fund;
- the registered auditor of the Fund;
- any employee of the Fund;
- an employee, director, officer, consultant or contractor of the Administrator of the Fund or the holding company, subsidiary, joint venture or associate of that Administrator; and
- already serving as a trustee of any registered medical scheme.

### **Qualification criteria**

The candidate must be:

- a principal member of Transmed Medical Fund;
- willing to be nominated for election as a Trustee;
- fit and proper to stand for election and to serve on the Board;
- fit and proper to manage the business of a medical fund in accordance with the Medical Schemes Act and Fund rules (training will be provided);
- a permanent resident of South Africa;
- able to serve office having not been declared insolvent, convicted of theft, fraud or forgery or disqualified from performing a profession;
- prepared and able to travel to attend board and committee meetings in Gauteng, plus any special board meetings arranged from time to time (travelling expenses will be reimbursed and remunerated); and
- contactable by telephone, fax or email.

### **Screening and vetting process**

In terms of good governance, all nominations will be screened by the Transmed Election Committee.

The screening process will take into account the criteria set out in this notice, the rules of the Fund, the Medical Schemes Act and any other relevant legislation, regulations and accepted standards of good corporate governance practices. Any material misinformation in, or material information found to have been omitted from, the nomination and accompanying documents, will disqualify the nomination.

By accepting this nomination, the nominee understands that it is a requirement that successful candidates undergo a vetting process, which will require relevant personal information, including fingerprints, to be provided. Personal information provided by the nominee and proposer will be processed, as set out in Transmed's privacy policy or as otherwise authorised in terms of any law. *The Transmed privacy policy is available on the Transmed website at [www.transmed.co.za](http://www.transmed.co.za).*

### **Submitting a nomination**

Should you wish to nominate a member of Transmed for election, the nominee and nomination must take into account the criteria in this notice. The nomination form must be completed and signed by the proposer and the acceptance of nomination section of the form must be completed and signed by the nominee.

### **Submission deadline**

Nominations must be submitted to the email address or fax number provided on the enclosed nomination form and must reach Transmed Medical Fund by no later than 30 April 2023.

### **Enquiries**

All queries related to the nomination process must be directed to 0800 450 010.

**Definitions**

Below are extracts from the Fund rules defining terms used in this communication. A full set of the rules is available at [www.transmed.co.za](http://www.transmed.co.za).

**4.24 Fit and proper:** Eligibility of a person to hold an important position of trust in a medical scheme and the regulated entities with whom it contracts, including that person's character, integrity, competence and ability to perform the required functions and roles.

**Fiduciary duties of the Board of Trustees**

These duties include, but are not limited to:

- 18.1 ensuring the proper and sound management of Transmed Medical Fund;
- 18.11 taking all reasonable steps to protect the confidentiality of medical records concerning any beneficiary's state of health in terms of the Protection of Personal Information Act;
- 18.12 taking all reasonable steps to ensure that the interests of beneficiaries in terms of the rules of the Fund and the provisions of the Act are protected at all times;
- 18.13 acting with due care, diligence, skill and good faith;
- 18.14 taking all reasonable steps to avoid conflicts of interest; and must declare any interest they may have in any particular matter serving before the Board;
- 18.15 acting with impartiality in respect of all beneficiaries.

Yours sincerely

**PETRUS WASSERMANN**  
PRINCIPAL OFFICER