

Dear Member

Call for nominations to serve as a Trustee on the Board of Bankmed (“Bankmed” or “the Scheme”)

This notice is a call for nominations to serve as a Trustee on the Board of Bankmed.

Two (2) current member-elected Trustees will be stepping down at the next Bankmed Annual General Meeting (“AGM”) and, in terms of the approved Scheme Rules for Bankmed, an election shall take place to fill their positions.

According to Rule 18.5.8 ***(Rule 18.5.9)** of the approved Scheme Rules, the election of the members of the Board of Trustees will be carried out by ballot, whether physical or electronic, and will be decided by the simple majority of duly completed and returned ballots at the selected return date prior to the AGM.

****The Rules referenced are the 2019 Scheme Rules for Bankmed, which are subject to the annual submission and registration process by the Council for Medical Schemes. For ease of reference, the corresponding provisions as set out in the registered 2018 Scheme Rules, have been included in brackets.***

The Board of Trustees hereby invites nominations for candidates (“Nominees”) from among the Principal Members of the Scheme, to stand for election to serve on the Bankmed Board.

PricewaterhouseCoopers Advisory Services (Pty) Ltd (“PwC”) has been appointed by Bankmed as the Independent Electoral Body (“IEB”), who will manage and oversee the electoral process.

Principal Members of the Scheme are required to elect two (2) Trustees. As the first step in the election process, potential candidates must be nominated by Principal Members in good standing from among Principal Members only. A nomination form must be duly completed and signed by:

- A Principal Member who nominates (“Nominator/Proposer”) another Principal Member to stand for election;
- At least five (5) Principal Members who second (“Secunder”) the nomination (also in good standing); and
- The Principal Member who has been nominated (“Nominee”) to stand for election, thereby signifying his/her consent to stand for election.

Please note, Principal Members may not nominate themselves to stand for election.

There are very specific rules that govern the nomination of candidates, as well as who may be nominated as a Trustee. Please refer to the enclosed *Rules for Completion of the Nomination Form*.

Important note regarding the submission of nomination forms

All nominations must be submitted using the prescribed nomination form which has been enclosed.

All requirements contained in the nomination form must be fulfilled to avoid the nomination being disqualified.

As the Scheme has appointed PwC as its IEB, all duly completed nomination forms, with the required documents, must be delivered to the IEB either by hand, e-mail or fax. Delivery details can be found in the nomination form.

Nomination forms may not be delivered to the Bankmed Scheme office nor the office of its Administrator, Discovery Health (Pty) Ltd (“DH”). Any nomination forms delivered to the Bankmed Scheme office or DH office either by hand, e-mail or fax will be deemed invalid.

Qualification criteria

Nominees must be fit and proper to stand for election and to serve on the Board. Fit and proper refers to the eligibility of a person to hold an important position of trust in an entity such as a medical scheme, in terms of the Medical Schemes Act, Act no 131 of 1998 (“the Act”) and the Scheme Rules.

“Fit” relates to a person’s competence and ability to do the job and “proper” relates to the character and integrity of the person. A fit and proper person means someone who is financially sound, honest, reputable, reliable and competent to perform the role in question.

Extracts from the approved Scheme Rules are set out in **Annexure A**, which should guide your nomination decision. A full set of the approved Scheme Rules is also available at www.bankmed.co.za

The following persons are not eligible to serve as members of the Board:

- A person under the age of 21 years;
- An employee, director, officer, consultant or contractor of the Scheme or of the administrator of the Scheme or of the holding company, subsidiary, joint venture or associate of the administrator;
- A broker;
- The Principal Officer of the Scheme;
- The auditor of the Scheme;
- A person who has been dismissed by the Board for acting in breach of the Trustees Code of Conduct, following a fair process in terms of which such person was given an opportunity to respond to the evidence against him or her;
- A person holding a trusteeship of any other medical scheme or schemes; and
- A person who has been convicted of theft, fraud, forgery, uttering of a forged document, perjury or any other crime involving dishonesty, whether in the Republic of South Africa or elsewhere.

The role and fiduciary duties of Trustees

The role and fiduciary duties of Trustees are prescribed in the Act and set out in the approved Scheme Rules. We have included these extracts in **Annexures B** and **C** respectively.

We urge each member to consider the importance of the role of the Trustee when submitting their nominations for candidates. In the event that members wish to stand for election, it is exceptionally important that the fiduciary duties are fully understood as the implications of not fulfilling the duties may have far-reaching and serious consequences.

We appreciate your participation in this very important exercise.

Yours in good health

Teddy Mosomothane
Bankmed | CEO and Principal Officer