

**COMPANIES TRIBUNAL**  
**of**  
**THE REPUBLIC OF SOUTH AFRICA**

**Case Number CT008Dec2017**

In the Ex Parte Application

**INGUZA INVESTMENTS (RF) LIMITED**

**Applicant**

(Registration number 2008/003346/06)

In respect of

**AN APPLICATION FOR AN EXEMPTION FROM THE REQUIREMENT TO APPOINT A  
SOCIAL AND ETHICS COMMITTEE**

**Presiding Member of the Tribunal; Lucia Glass**

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**DECISION (Reasons and Order)**

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**INTRODUCTION**

1. The Applicant applies for an exemption, from the requirement to appoint a Social and Ethics Committee, as imposed by Section 72(5)(a) of the Companies Act 71 of 2008 (further herein referred to as 'the Act').
2. This Application is made, on the basis that it is not reasonably necessary in the public interest to require the applicant to have a social and ethics committee, having regard to the nature and extent of the activities of the company.

**PRELIMINARY ISSUES AND FACTS**

3. The Deponent to the Applicant's founding affidavit is Burger van der Merwe, who alleges that he is a director of the Applicant and is authorised to depose to the founding affidavit.

4. It is averred that the Applicant is a ring fenced special purpose entity with no employees. It acquires the rights and obligations of third parties under written loan agreements and/or securities assets and issue commercial paper and other debt instruments to investors in order to fund the acquisition by the Applicant of the assets.

5. It is further averred that the Applicant does not have any employees.

6. The applicable Section of the Act is:

Section 72 (5)

a) *"the company is required in terms of other legislation to have and does have, some form of formal mechanism within its structures that substantially performs the function that would otherwise be performed by the social and ethics committee, in terms of this section and the regulations or*

b) *it is not reasonably necessary for the public interest to require the company to have a social and ethics committee having regard to the nature and extent of the activities of the company."*

## **APPLICATION OF THE LAW TO THE FACTS**

7. The Tribunal is to decide, whether in terms Section 72 (5) b) *it is reasonably necessary for the public interest to require the company to have a social and ethics committee having regard to the nature and extent of the activities of the company.*

I will weigh up the nature and extent of the applicant in respect of

- It is averred that the Applicant is a ring fenced special purpose entity with no employees. It acquires the rights and obligations of third parties under written loan agreements and/or securities assets and issue commercial paper and other debt instruments to investors in order to fund the acquisition by the Applicant of the assets.
- It is further averred that the Applicant does not have any employees.

After considering the law, interpreting and applying Section 72 (5) b) of the Act it is my view that it is not reasonably necessary for the public interest to require the company to have a social and ethics committee having regard to the nature and extent of the activities of the company as stated above.

In this case, it is quite clear to me that the Applicant be exempted from appointing a Social and Ethics committee.

**Order**

I accordingly make the following order;

The Applicant is granted exemption from appointing a Social and Ethics Committee.

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LUCIA GLASS

MEMBER OF THE COMPANIES TRIBUNAL OF SOUTH AFRICA

Dated 20.12..17