

**MINUTES OF THE ANNUAL GENERAL MEETING
OF THE PGA OF SOUTH AFRICA
HELD ON 17 SEPTEMBER 2018**

Venue: Royal Johannesburg and Kensington Golf Club, Johannesburg at 10h00.

1. WELCOME:

The Chairman (Paul Marks) welcomed all those present and thanked them for coming.

2. READING OF THE NOTICE CONVENING THE MEETING:

The Chairman read out the notice convening the meeting and declared the meeting constitutionally correct. The meeting was officially opened at 10:06.

3. ATTENDANCE REGISTER AND READING OF APOLOGIES:

Present: 50

Paul Marks, Louis Destroo, Martin Briede, Neil Walsh-Tucker, Dave Usendorff, Jason Bird, Ivano Ficalbi, Monde Ndlovu, Roy Braxton, Greg Smith, Scott Gillespie, David Riddle, Dietrich Uys, Rachel Howard, Ignis van der Merwe, Adam Baker, Michael Balderstone, Greg Jacobs, Andrew Gunn, Darrin Hedley, Pat Lowth, Dean Kupferman, Edward Retief, Denis Hutchinson, Emile Steinmann, Ken Payet, Michael Scholz, Tyrone Lorusso, Kenneth Dube, Eugene van Eyk, Hans Jonck, Kyle Puttick, Clinton Grobler, Marna Coetzee, Liedeke De Klerk, Sean Farrell, Nico Groenewald, Mark Hartness, Mellett Hendrikse, Pieter Henning, Gordon Millar, Bella Modisha, Itumeleng Motale, Bradley Nienaber, Kyle Phelan, James Searson, Riaan Spangenberg, Pierre Viviers, Andrew Wildman and Kevin Wylie.

Apologies: 34

CeeJee Potgieter, Andy Truluck, Jason Eilerd, Dave Christie, Andrew Tricker, Mark Hartness, Lesley Copeman, Meyer Du Toit, Mark Truter, Frans Strauss, Julian Shaw, Philip Le Roux, Werner Bernhardt, Shane Hayes, Matthew Kidd, Thinus Kellar, Hector Nicou, Elsabe Hefer, Costanza Trussoni, Nathan Holiday, Norman Mashaba, Sunelle van Mollendorff, Matthew Heyns, Morne Engelbrecht, Ian Eveleigh, Leonard Nel, Gavin Groves, Ryan Flockhart, Jannes Sik, Stuart Blackie, Rudy Mertz and Dwayne Coetzee.

4. READING AND MATTERS ARISING OUT OF THE MINUTES OF THE LAST ANNUAL GENERAL MEETING:

The minutes of the previous Annual General Meeting were sent to all Full members along with the notice of the Annual General Meeting. Paul Marks asked if there were any matters arising. With no matters, arising from the previous minutes, Paul Marks proceeded to the adoption of the minutes.

5. ADOPTION OF THE MINUTES OF THE LAST ANNUAL GENERAL MEETING:

The Chairman asked for a proposer and seconder.

Proposer - Pat Lowth

Secunder - Greg Smith

The minutes were duly accepted.

6. CHAIRMAN'S REPORT:

Paul Marks read out his Chairman's report, as included below:

Good Morning Ladies and Gentlemen,

Thank you for your attendance at the PGA's annual general meeting for the financial year 2017 ending March 2018. I'd like to make special welcome of our Master Professionals, Phil Simmons and Honorary Life President, Mr Denis Hutchinson as well as our auditors HLB Barnett Chown represented by Wilton van der Walt.

Finances:

The 2017/2018 financial year has once again been a very successful year for the PGA. The PGA Trademark and the ownership thereof has been successfully completed by our Chief Executive, Ivano Ficalbi, in line with the Board's Strategy and has also resulted in our further relationship building with the PGA of America, in particular. I'd like to extend my thanks to the Audit Committee, included is Mr Louis Destroo, our incoming Chairman for a wonderful job.

The Board of Directors received notification that Craig Stickling was moving abroad in January of this year and therefore the Board has been a Director short for most of 2018. Today we will vote for the position of a National Director on the board of the PGA. As you are well aware, the commitment to the board by any member requires added dedication and commitment to ensure the future generations' PGA Members are afforded the opportunity to grow the game and facilities across the country and globally.

I personally gave notice last year that this would be my last year as Chairman of the Association and would like to thank, especially the members, for their support; my fellow Board members since 2005; the staff compliment of the PGA of South Africa as well as our Chief Executive, Ivano Ficalbi, for his passion and dedication in gearing the PGA for its future success. I am also particularly thankful to our two current Non-Executive directors, Monde Ndlovu and Roy Braxton, for making, not only myself but the Board of Directors, realign our thinking as a collective and ensure that we do the right things in the right areas at the right time for the benefit of the membership.

I didn't take this decision lightly and I always believed in wanting to leave the PGA in a positive manner and allow the younger generation under the new incoming chairman, Louis Destroo, to shape the future direction of the PGA.

As a Board, I am happy to report that our performance has attained the highest result in our past history, this is critical for you the members to understand that these types of measurables within your Board ensure that Board members are putting their hands up for exactly what they said they would to do all across the country. I am very grateful to have been surrounded, over the years and in particular the last few years, by such committed people.

The PGA's Affiliates and Partners program, as you are all fully aware, was brought inhouse and within the program a tiered structure was developed for our partners. The employment of Darrin Headley as well as Loraine Miller I have no doubt will achieve our desired financial results and strong relationship with the PGA brand, aligned with our PGA over the next few years. A critical factor in our partnership program is the building of mutually beneficial relationships for the PGA and our partners. I would like to wish Darrin all the very best in his future as the board support him in attaining and growing this very valuable program to this association.

Communication:

Lauren Nolte from Head Office has taken on the Digital Communications and Marketing portfolio which included the rebuilding of our website, databases, emailers to members as well as the rights and privileges to the PGA partners and last but not least our social media exposure.

Tournaments:

The World Club Pro Am unfortunately did not take place earlier in the year and Flagship have now embarked on taking the event global and the next event is scheduled in 2019 in Thailand.

Our National and Regional events have continued with participation of the membership.

- National events at 7
 - 4 x Sun International
 - 1 x PGA National Champs
 - 1 x Cutter & Buck
 - 1 x Highland Gate
- Regional events at 54:
 - 13 x KZN
 - 10 x Western Cape
 - 7 x Gauteng North
 - 13 x Southern Eastern Cape
 - 11 x Central Gauteng
- Breakdown of prize money for National events:
 - PGA National Champs = R200 000
 - Sun International Events x 4
 - R30 000 prize fund, R1000 Appearance Fee per pro, R3000 Best Daily's
 - Cutter & Buck Pinnacle Point = R300 000
 - Odyssey Highland Gate = R150 000

Average handicap within the Top 10 Alliance across the events at 75 % hcp. = **13.8**

We are extremely grateful to Diner's Club as our PGA National Championship Sponsor as well as to Heineken and Sun International and of course, Global Golf, for the Pinnacle Point and Highland Gate Pro Ams.

The PGA Championship was again held at Eye of Africa and our thanks go to David Nagel for his continuous sponsorship of our event and we continue to enjoy our 12 spots in the field for our PGA members. It is also significant that whilst talking about the PGA Championship that our Chief Executive, Ivano Ficalbi, was invited to this year's PGA Championship at Bellerive Country Club as a guest of the PGA of America. Ivano's report to the board of directors of his trip and his meetings held at the American championship highlight a number of fantastic opportunities for us in the future.

Our PGA National Championship took place at Ebotse Country Club and our thanks go to Ebotse for presenting a wonderful course during this championship. Congratulations to our winner, Clinton Grobler, on a winning score of 5 under par.

Education:

Our education manager, Andrew Gunn, has had another outstanding year with the R&A projects, our apprentice residentials as well as the needs assessments results for our membership. Our e-learning platforms are growing steadily, and I am sure in years to come that further education of our membership will be extensive through this platform.

Our PGA staff have again achieved well in their performance reviews and I would like to include the performance review of our Chief Executive, Ivano Ficalbi, as having again attained a result of excellence.

Transformation:

The PGA has adopted, under a key initiative, our strategy around Transformation and a number of objectives and deliverables will be decided upon by the Board of Directors.

The PGA's definition of Transformation has not been taken lightly and is a significant step to the advancement of the PGA members and the Association itself.

In closing, as my term comes to an end I would like to say that the journey with the PGA and the knowledge I have accumulated has helped me tremendously in my own personal growth. Not only just in business, the PGA's business and in my personal life itself. I've always tried to be a good listener and a person of understanding so that I always can view members' beliefs and principles from their perspective. Adding to this, the writing of the Chairman Designate to our incoming Chairman, Louis Destroo, has been a very rewarding experience for hopefully Louis and of course giving the members of the PGA comfort in that the path to the success of the PGA is in good hands.

I'd like to wish Louis, as our new Chairman, all the success and I want him to know that he has my support and that of the Board. I'll be enjoying my new spare time available to get my game back in some sort of shape as my competitiveness in PGA tournaments has waned somewhat as to what I am normally used to.

I'd like to close off by saying thank you to the members, both present and non-present, for your support over the past 6 years as Chairman.

Thank you.

7. CHIEF EXECUTIVE REPORT:

The full Chief Executive Report was distributed prior to the meeting with the notice and the short report was read by Ivano Ficalbi. The report is as follows:

This report is in conjunction with the detailed report that was distributed with the Notice of the Annual General Meeting.

'The PGA is a body of qualified professionals that have the expertise and passion to encourage golfers to improve, thereby creating added enjoyment and increased participation leading to more rounds of golf, more memorable moments and more golfers.'

The 2017/2018 Financial Year has delivered numerous highlights and achievements. The PGA of South Africa has taken ownership of the PGA Trademark in Southern Africa that has raised the engagement of the Association with fellow global PGAs. This resulted in an agreement with the PGA of America around the Trademark and the co-existence of the two Associations. The Board continues to drive strategies and key initiatives within the strategic plan of the Association that has seen the PGA take a greater role in the transformation and sustainability discussions.

The PGA of South Africa is currently an Association of 669 Members with 109 working external to South Africa.

Board of Directors

Craig Stickling resigned from the Board of Directors after accepting a position at a golf resort in Australia. Craig was voted in at the AGM in 2017 and was to complete the final year of the 3-year National Term vacated by Michael Balderstone in March of 2017. The only position available today is the 3 Year National Director position as per the Mol.

The process that was put in place last November at the end of year Board Meeting has now come to fruition with Paul Marks stepping down as National Chairman today. Paul has served the PGA Board of Directors since 2005 and took on the role of Vice-Chairman in 2008 before accepting the position of National Chairman in 2012.

The past year has been dedicated to the identification of a designate Chairman and the completion of a self and fellow Board Member assessment in-line with the creation of a 'Chairman' job description. The current Vice-Chairman and Chairman of the Audit Committee, Louis Destroo, has agreed to take on the role of National Chairman and the PGA Head Office looks forward to working with Louis going forward.

Non-Executive Directors:

The Non-Executive portfolios during this period were:

- Strategy and Performance.

Roy Braxton has assisted the PGA within this portfolio since February of 2014 and continues to provide guidance within the areas of performance management, staff reviews, implementation of the strategic map and director mentorship. His contribution to the Board of Directors and the Chief Executive is valued and appreciated.

- Transformation.

Monde Ndlovu accepted the position of Non-Executive Director in March of 2017 and is guiding the PGA through the Transformation discussion. The PGA is grateful to Monde and the BMF for their contribution to the PGA and its Membership.

Insurance:

The PGA portfolio consists of 7 specific covers with 2 relating directly to the Membership.

- Group Personal Accident to a maximum benefit of R1 000 000 in a 12-month period.
- PGA Member Public Liability up to R10 000 000.

PGA Trademarks:

The PGA of South Africa have agreed to key focus markets with both the PGA of America and the PGA of GB&I resulting in the PGA of SA taking responsibility for the PGA Trademark in Southern Africa. This has also resulted in a co-existence agreement with the PGA of America that will see both PGAs work closer together going forward.

The slogan 'Touching Lives through the Game of Golf' has been granted approval and the trademark process should be fully completed within the next 18 months.

The approval by the respective medical councils has resulted in the PGA obtaining approval to deliver education and certify specific individuals within these approved medical councils resulting in the creation of AMP and the PGA AMP seal. This seal is currently going through the trademark process.

Key Result Areas:

Business Development and PGA Partner Program:

The Agency of Andy Bean and Mark Renwick managed the Affiliate Program through to the end of August 2017 with the Program being incorporated fully within the PGA Head Office as of 1 September 2017. A full assessment was completed by the appointed Board Committee and the Chief Executive before being relaunched as the PGA Partners Program within a new tiered structure. Darrin Hedley, a PGA Member was appointed as the Commercial Manager and has fulfilled this role as of 1 October 2017 while the administration of the program has remained with Loraine Miller, the Member Relationship Manager for the KZN Region.

The Partners Program achieved revenue of R1 788 464 within the 2017/2018 Financial Year. Although this was down from the prior financial year and against the proposed budget for 2017/2018, this was due to the re-alignment of the Program and the goal of building long term mutually beneficial relationships for both the PGA and the Partner. The decision was also taken to dissolve the Market Acquisition partnership with CMASA to ensure full focus on the program and to maintain the PGA as the core brand within the Partner Program.

The 2018/2019 Financial Year will continue to deliver on the rights and privileges afforded to each partner and thereby delivering on the long term mutually beneficial partnerships and sustained revenue for the PGA.

Education:

Andrew Gunn as Education Manager was duly assisted by Reneé van Castricum and Charmaine Arthur the past financial year. The following can be highlighted:

The PGA has assisted the R&A with projects in Madagascar and Malawi whereby the R&A is covering the cost of the Apprentice Education and all related travel to the Annual Residential.

The Annual Apprentice Residential was well received and the targeted numbers of 75 across all 3 years of study has contributed to a higher standard of participation and engagement.

A full analysis of the Annual Needs Assessment review results was completed and the identified High Needs collated so that relevant courses can be developed for the 'Course Record' E-learning platform. There are currently 13 courses online with a further 3 in development for launch in the coming weeks.

The PGA currently has 6 accredited providers delivering the National Diploma in 'Club Professional Golfing'. The continuous reduction of student numbers year on year is undergoing scrutiny and ideas on promoting a career in golf are being considered for implementation.

Media and Communication:

A full review of the website/mailers/media/communication was completed and this resulted in the entire portfolio being brought within the PGA Head Office and Lauren Nolte has taken on the Digital Communications and Marketing portfolio. The process has involved the rebuild of the website, improved link to the member database, enhanced distribution of Member mailers aligned to the rights and privileges afforded to the PGA Partners and improved Social Media presence.

This constantly changing area demands that improvements are continually made to ensure relevance and a high standard of sharing of information with the Membership.

Golf and Sport Bodies:

The PGA continues to build relationships through regular engagement and meetings with:

- The Global PGAs through the relationships that were built through the World Alliance Platform, PGAs of Europe Annual Congress and the PGA Show.
- The R&A through the assistance that the PGA provides on their projects within Africa.
- GolfRSA through the platform provided by Grant Hepburn as CEO. GolfRSA have provided the funding to regionalise the GEO Oncourse Platform and this was launched to the club industry in April of 2018.
- Regular engagement takes place with SASCOC, SAGDB, Sunshine Tour, GEO and CMASA.

The PGA will continue to engage with all the relevant stakeholders for golf and sport in South Africa.

PGA Staff:

The PGA Organogram is settled and all positions filled at present.

Performance Reviews have been implemented for all staff based on their respective job descriptions, key deliverables and PGA Strategic plan. The review process is managed twice per annum and is administered on the Braxton framework.

Membership:

The PGA currently has 669 Full Members and 115 Registered Apprentices. The targeted growth of 1% per annum was achieved in 2016 and 2017 and has been successfully achieved for 2018 with a final result of .9% growth.

In Memoriam:

I ask all Members to stand for a moments silence in memory of fellow PGA Professional, Peter Nichols who passed away on the 20th March 2018 after a lengthy battle with cancer.

Peter was born on the 25th September 1945 and joined the PGA as a Full Member on the 8th August 1975. Peter was an Advanced Fellow of the PGA with just under 43 years of Membership.

Strategies and Key Initiatives:

Transformation:

The PGA Board of Directors added Transformation under Strategy and Key Initiatives as of the March 2018 Board Meeting and Monde Ndlovu has proposed areas for discussion that will now be incorporated into a process with clear objectives and deliverables.

The definition of Transformation relevant to the PGA as an Association has been finalised and the following will be utilised by the Membership and Association:

'The PGA is an Association of Professional Golfers with a long and proud history in the game of golf in South Africa. Transformation within the PGA is the intentional process to promote the game of golf, advance and retain previously disadvantaged men and women. While utilising its influence, the PGA is committed to bring about meaningful transformation and to be the conduit for growth and participation within the golf club environment, business of golf and PGA membership.'

Benevolent Fund:

The Benevolent Fund Regulations were implemented as of March 2017. The funds raised have come through the auction at the Annual Awards Dinner and fines payable by the Membership for regulation infringements. There was only a single application to the fund in the current Membership period with the balance as at 31 March 2018 at R19 401.

PGA Accredited Medical and Fitness Certification – AMP:

AMP will be launched to the Physiotherapy, Biokineticists and Chiropractic Associations in the coming months with the first education seminars planned for early 2019. The PGAs partner in this training and certification program is Garth Milne and a detailed agreement and deliverables has been drafted and signed by both parties. The process of certification will then take place within the 2019/2020 PGA Financial Year with the certified AMP afforded use of the AMP Seal, promotion on the PGA website and alignment to a PGA Professional within their business area.

PGA Championship Raffle:

The PGA has tried unsuccessfully the past few years to obtain funds through the CATHSSETA for projects relating to the GAP and Registered Apprentice Program. The decision was therefore taken to raise funds through the PGA to enable PGA Projects with a key focus on Transformation initiatives. Through the relationship with the PGA of America, the decision was taken to raffle a 4 ball to the PGA Championship at Bethpage Black in 2019 with a key component of the prize being the ability to play the Championship course the Monday after the Championship.

The process of obtaining the necessary approval from the Lotteries Commission was completed and the raffle was launched to the Membership and golfing public on the 1st August 2018. The raffle draw was scheduled to take place this evening but due to a lack of sales, the PGA has put the raffle on hold and an extension period has been granted by the Lotteries Commission. How we move forward with regard to the raffle will be taken in the coming weeks.

In Closing:

The development of the strategic plan and map with the addition/confirmation of the golf industry as a customer of the PGA has enhanced the PGAs focus on the game and highlighted the role that the PGA intends to play in the game for PGA Members and other role players in the industry. The management and structure of the PGA leads the way within the game in the country and the PGA will play a greater conduit and advocacy role going forward. The current Non-Executive Directors provide great impetus and focus on key areas and additional Non-Executives are being considered to assist in identified areas.

At a time when it always seems that there are never enough hours in the day to complete all the tasks at hand, let's all take a few minutes to remember the joy and satisfaction that the game has and continues to bring us. Ensure that some time is committed to simply playing the game with friends and family and enjoying every aspect that it brings.

8. PRESENTATION OF THE ANNUAL FINANCIAL REPORTS:

8.1. Audited Financials 2017/2018

Louis Destroo presented that the PGA is in a sound financial position and there are no financial concerns. Louis reminded those present that the PGA is not a company for financial profit.

Pat Lowth proposed that the Audited Financials for 2017/2018 be accepted as true and correct, this was seconded by Dave Usendorff.

8.2. Appointment of Auditors for the 2018/2019 Financial Year.

Louis Destroo introduced Wilton vd Walt of HLB Barnett Chown Inc and recommended their further appointment to the Members in attendance.

David Riddle proposed that HLB Barnett Chown Inc be appointed as the Auditors for this financial year (2018/2019); this was seconded by Dietrich Uys.

HLB Barnett Chown Inc. are duly appointed as the Auditors.

9. ELECTION OF NATIONAL DIRECTOR:

The Chief Executive, Ivano Ficalbi read through the voting procedure and informed the floor that a single National Director position is available on the Board of Directors.

The nominee with the highest number of votes would stand for the constituted 3-year period.

Through the due nomination process, Edward Retief and Gavin Woodroffe were nominated by fellow PGA members for the vacant position on the National Board of Directors. IF handed the proxies received to the members as stated. The voting forms were distributed and voting took place.

All the voting forms were handed in and the counting took place under the guidance of Wilton van der Walt as the PGA Auditors. After due process and verification of the count, Gavin Woodroffe was confirmed as the appointed National Board Director.

The Chairman congratulated Gavin on his election and thanked Edward Retief for standing.

10. LIFE MEMBERSHIP NOMINATIONS:

Paul Marks presented that Nigel Roscoe, Athol Dowie, Gordon Millar, Mark Hartness and Eugene van Eyk's names have been put forward by the Board of Directors for ratification by the Membership at the AGM.

All present voted in favour of awarding all the candidates Life Membership.

Gordon, Mark and Eugene were present at the meeting and were called up by the Chairman for acknowledgement.

The Life Membership certificates will be handed out at the Annual Awards Dinner.

11. CORRESPONDENCE:

No correspondence was received.

12. GENERAL:

Paul Marks opened the floor for questions or comments.

Michael Balderstone thanked Paul for his chairmanship and for his inspirational passion.

Paul Marks thanked Phil Simmons for all he did for his career and confirmed that he would not be where he is today without the mentorship of Phil Simmons.

13. CLOSING:

Paul Marks thanked everyone in attendance and with nothing further to discuss closed the meeting at 11:04.

Louis Destroo

Chairman

Lauren Nolte