

**THE KENNEL UNION OF SOUTHERN AFRICA
MINUTES OF A SPECIAL MEETING OF THE FEDERAL COUNCIL HELD ON THURSDAY, 14 SEPTEMBER 2023,
COMMENCING AT 17h30, on MS TEAMS.**

| Item | Sub-Item | MINUTES | | | | |
|---|----------|--|---|---|--|--|
| 1 | | <p>Notice of the Meeting The Notice convening this Special Meeting, officially given on 8 August 2023, was read, and accepted.</p> | | | | |
| 2 | | <p>Attendance & Apologies</p> <p>Attendance: Clr JM Hubbard (Chairman of the Federal Council) – JH Clr BG Robinson (Vice-Chairman of the Federal Council & Chairman – DOGSPC) – GR Clr C Chelchinsky (Vice-Chairman – DOGSPC) – CC Clr N du Preez (Chairman – NAPC) – NdP Clr RB Jenkins (Chairman – Exco) – BJ Clr RD Juckes (Chairman - FS&NCPC) – RJ Clr M Vorster (Chairman – KZNPC) – MV Clr DC Sparg (Chairman – EC&BPC) – DS Clr L Thornhill (Chairman – WCPC) – LT</p> <p>Staff in Attendance: Mrs P Midgley (General Manager) – PM Mr B Delily (Finance & HR Administrator) – BD Mrs C Patterson-Abrolat (Club Affairs Administrator) – CPA Mrs N Shortland (Shows & Judges Administrator) – NS</p> <p>Apologies: None. Full attendance.</p> <p>The Chairman opened the meeting and welcomed all present to this virtual Special Meeting of the Federal Council. Special congratulations and welcome were extended to Clr Carolyn Chelchinsky, attending her first constituted meeting of the Federal Council following her election as Vice-Chairman of DOGSPC and, consequently, as a member of the Federal Council.</p> | | | | |
| 3 | | <p>Matters to be discussed. Confirmation that, in terms of Article 16.1, upon requisition from three members of the Federal Council, namely Clrs BG Robinson, NJ du Preez and RD Juckes, this Special Meeting of the Federal Council be held in order to consider the following items:</p> | | | | |
| | 3.1 | <p>Ratification of Fedco round robin – Proposed implementation of an interim remedial measure pertaining to Pre- and Post-Show Penalties, Championship and Non-Championship Shows as well as other Events (Fedco round robin 08.08.2023)</p> <p><i>Interim amendment to the Subscription and Fees document, issued pursuant to Schedule 07, given the Federal Council's powers under Article 43.4:</i></p> <p><i>“The Federal Council shall be the only authority to institute such emergency measures and regulations as required to resolve any crisis or dilemma resulting from a force majeure event or other calamity affecting the business and operations of the Kennel Union for as long as such adverse conditions endure. Decisions taken by the Federal Council in dealing with the effects of catastrophic events shall be final and binding.”</i></p> <p>Proposal: Insertions in <u>underlined bold type</u> and deletions in [struck through square brackets].</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Schedule 7 – Subscription and Fees 2023/2024</td> </tr> <tr> <td style="text-align: center;">All prices are VAT Inclusive. Prices effective from 1 September 2023 & subject to change without prior notice.</td> </tr> <tr> <td style="text-align: center;">16 PENALTY FEES For the period from 1 September 2023 to 31 December 2023, inclusive</td> </tr> <tr> <td style="text-align: center;">For late submission in terms of Schedule 3, Regulations 5, 6, & 10 and Schedule 4 and Schedule 8</td> </tr> </table> | Schedule 7 – Subscription and Fees 2023/2024 | All prices are VAT Inclusive. Prices effective from 1 September 2023 & subject to change without prior notice. | 16 PENALTY FEES For the period from 1 September 2023 to 31 December 2023, inclusive | For late submission in terms of Schedule 3, Regulations 5, 6, & 10 and Schedule 4 and Schedule 8 |
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| 16.1 | The first four weeks or part thereof | per week | [R29.00] R0.00 |
| 16.2 | Each succeeding week thereafter | per week | [R45.00] R0.00 |

Motivation:

At the Federal Council Discussion Forum on 27 July 2023, the current dilemma of several affiliated Clubs being unable to meet their accumulated debt of accrued Penalty Fees was discussed extensively. It was noted that the situation had developed mainly because of the post-COVID economic constraints, which have impacted on Clubs' ability to generate sufficient funds from their normal activities to meet their financial obligations.

Fedco had been requested by the Exco to consider instituting some form of interim relief for Clubs with regard to accumulated Pre- and Post-Show Penalty Fees by, at the very least, staying the imposition of further Penalty Fees and their accumulation during the period 1 September 2023 to 31 December 2023, with a view to allowing a future revised Penalty structure to be investigated and implemented. During the four-month "window" period contemplated above, payment of Penalty Fees already sustained would be postponed till 31 December 2023, and only commence accruing again with effect from 1 January 2024. Hopefully, during this four-month grace period, Clubs would be able to do the necessary fundraising to meet their Penalty Fees debt.

Although KUSA's Penalty Fees structure has been in place for some sixteen (16) years, factors such as reduced entries, exorbitant travel costs, Judge shortages and the difficulties experienced by Clubs to find people to serve on Committees, have gradually taken their toll on Clubs, now compelling Fedco to take the remedial action proposed above. The "window" period would further allow Fedco the necessary time to prepare a formal proposal for future Pre- and Post-Show Penalties. This proposal would be placed on the Fedco 12-2023 Agenda which, if accepted, would come into effect on 1 January 2024.

The Federal Council **unanimously agreed** to this interim remedial measure on pre- and post-Show Penalty Fees for Championship and Non-Championship Shows and other licensed Events.

Proposed NdP, seconded RJ
Effective 01.09.2023

3.2 Fedco Directive for interim relief on payment of outstanding Penalty Fees

Notice to Clubs in respect of interim relief for the payment of outstanding Penalty Fees.

Interim Relief in respect of Penalty Fees

Background:

At the Federal Council Discussion Forum on 27 July 2023, the current dilemma of a number of affiliated Clubs being unable to meet their accumulated debt of accrued Penalty Fees was discussed extensively. It was noted that the situation had developed mainly as a result of the post-COVID economic constraints, which have impacted on Clubs' ability to generate sufficient funds from their normal activities to meet their financial obligations.

Although KUSA's Penalty Fee structure had been in place for some (sixteen) 16 years, factors such as reduced entries, exorbitant travel costs, Judge shortages and the difficulties experienced by Clubs to find people to serve on Committees, have gradually taken their toll on Clubs. In consequence, Exco had requested Fedco to consider instituting some form of interim relief for Clubs with regard to accumulated Penalty Fees.

Fedco recognised the need to prepare and formulate a revised Penalty Fee structure, more aligned to present socio-economic conditions and prevailing constraints, for presentation and consideration at Fedco 12-2023 and, if accepted, whether altered or unaltered, for implementation with effect from 1 January 2024.

Directive:

Against the above background, Fedco **directs** as follows:

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| | <p>With a view to allowing a future revised Penalty Fee structure to be investigated and ultimately implemented by Fedco, the imposition of further Penalty Fees and their accumulation during the period 1 September 2023 to 31 December 2023 need to be stayed. During this four-month "window" period, as contemplated above, payment of Penalty Fees already incurred and accrued by affected clubs will be postponed till 31 December 2023 and, if not paid by the 31 December 2023, only commence accruing again with effect from 1 January 2024.</p> <p>Clubs with accrued Penalty Fees as at 31 August 2023, shall be informed in writing by the KUSA Office no later than mid-September 2023 of the amount owing and will continue to receive monthly statements reflecting the outstanding Penalty Fees, but only be required to pay the Penalty Fees by 31 December 2023.</p> <p>The Federal Council unanimously approved the proposed Directive on Interim Relief and for it to be used, in substance, in any statement issued by the KUSA Office in respect of Penalty Fees.</p> <p>Proposed GR, seconded NdP Effective: 01.09.2023.</p> |
| <p>3.3</p> | <p>Proposed changes to Schedule 3 Regulation 5.17</p> <p>Motivation: To make it clear that, in order to grant a Licence to hold a Championship Show if a Club's Penalty Fees are outstanding, is not just for the calendar year in question, but that the refusal of a Licence shall endure for as long as payment of the Penalty Fees remain outstanding.</p> <p>Schedule 3 Regulation 5.17</p> <p>Insertions in <u>underlined bold type</u> and deletions in [struck through square brackets].</p> <p>5.17 When a Club fails to pay a penalty within sixty (60) days of the date of imposition, the next application for a Licence for any Championship Show or Event submitted by that Club shall be refused [for that calendar year] <u>until all outstanding Penalty Fees have been paid, provided that such payment is received not less than twelve (12) weeks prior to its Championship Show date.</u></p> <p>The proposed amendment to Schedule 3 Regulation 5.17 above was unanimously approved subject to the amendment in red.</p> <p>Proposed MV, seconded LT. Effective 01.01.2024.</p> <p>Note – The KUSA Office (CPA) to cross-reference the above amendment in respect of Schedule 04, Schedule 04A and Schedules under Schedule 05 – Special Events. Any required amendments to these Schedules must be placed on the Fedco 12-2023 Agenda as 'Housekeeping' items brought forward by the KUSA Office.</p> |
| <p>4</p> | <p>Close of meeting</p> <p>The Chairman thanked the Councillors, the KUSA General Manager and Office Staff for their attendance and their time and effort spent on perusing the documents provided.</p> <p>The Chairman closed the meeting at 18h00.</p> |