

## **DRAFT TERMS OF REFERENCE**

### **Special Purpose Fund Account**

#### **i. Resolution**

1. At a Governing Council meeting of July 17, 2018, a motion was passed for Ghana Securities Industry Association (GSIA) to establish a donation-based Capital Market Regulatory Fund Account. Subsequently a more appropriate name was decided upon, that is, Special Purpose Fund.

#### **ii. Establishment**

2. The Governing Council establishes a special purpose fund account to support the mandate of its Standing Committees.

#### **iii. Purpose**

3. The purpose of the Special Purpose Fund is to provide an avenue or mechanism for members of the Association and any other recognised body to contribute financial resources to enhance the capacity of GSIA standing committees as it relates to:
  - a. Regulatory Reviews and Advocacy work.
  - b. Securing technical expertise or legal assistance that the committees will require during the course of its work, for example reviewing all regulations and laws that have a bearing on the Securities industry.
  - c. Supporting specific interventions or projects of direct relevance to capital market development as the Governing Council deems fit. (A schedule to be attached).

#### **vi. Administration /Allocation & Disbursement**

4. The Governing Council shall approve all activities to be funded from the Special Purpose Fund.
  - a. Sums shall be allocated as and when requests are made by a specific committee
  - b. The Council may also suggest specific projects to be undertaken.
  - c. The Governing Council will review and formally approve of all requests ensuring that consultative or any other work is undertaken by competent persons or organizations with the requisite experience or capacity.
  - d. A priority plan is to be shared with the Governing Council and should give an indication of the number of interventions required and corresponding budget estimates at the beginning /end of each year.
  - e. Exceptional or emergency requests will be presented to Executive Secretary for the attention of the Executives.
  - f. The Secretariat shall facilitate requests and will serve as the administrator for the fund; receiving contributions on behalf of the fund and ensuring its disbursement as directed by the Governing Council.

#### **iv. Authorized Signatories**

5. The Fund shall be administered as an account set aside for special projects. Authorizations on the account shall be limited to GSIA Executives (President / Vice- President/Treasurer and or Executive Secretary). Any two (2) of the signatories indicated are permitted to sign on the account.

#### v. Contributions

6. Contributions to the fund will be from varied sources; individual member firms and other appropriate entities such as development partners.
  - a. GSIA shall make an initial seed contribution of Fifty Thousand Ghana Cedis (Ghs50,000).
  - b. Ten percent (10%) of GSIA's surplus shall be paid into the special fund account at the end of every financial year.
  - c. Annual Fundraising initiatives shall be embarked upon.
7. Contributions will be accepted in the form of cash and by cheque or bank transfers in Ghana Cedis or in foreign currency. Cash contributions can only be made to the Treasurer or the designated officer.
8. Pledges can be made to the special purpose fund. The making of a pledge and its acceptance are to be recorded in an exchange of letters or if requested by the contributor in a more formal agreement.
9. Any interest /investment income derived from contributions to the Fund shall be credited to the Account.

#### Vii Reporting

10. The fund will be reported as part of the Association's annual financial statements and captured as a note item detailing funds received or pledged, disbursements as well as outcomes.
11. The fund shall be evaluated at the end of each year to determine its effectiveness in fulfilling its objectives

#### x. Review and Amendment

12. The Executive Secretary in consultation with the Governing Council, may initiate a formal process to review the Terms of Reference.