



SOUTH AFRICAN RUGBY UNION

TERMS OF REFERENCE – FRANCHISE COMMITTEE

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**TERMS OF REFERENCE OF THE FRANCHISE COMMITTEE
("THE COMMITTEE")**

1. STATUS OF THE COMMITTEE

SARU's Constitution provides for the establishment and operation of a Franchise Committee (the "Committee"), as a sub-Committee of the Executive Council ("EXCO"), whose members shall comprise CEOs of the Franchise Unions (the Franchise Members) as stipulated in the approved SARU Constitution.

- 1.1. The Committee has all the formal delegated authority and mandate from the Executive Council as necessary to perform its role and responsibilities.

2. ROLE OF THE COMMITTEE

The **role** of the Committee will be to:

- 2.1. manage the strategic direction of Professional and High-Performance Rugby to ensure the best possible rugby experience.
- 2.2. in conjunction with management, determine the competition structures, participation agreements, formats, rules and regulations for professional rugby, international and SARU domestic rugby tournaments.
- 2.3. develop the competition schedules in conjunction with the needs of broadcasters, sponsors and World Rugby competitions.
- 2.4. determine the player movement regulations.
- 2.5. determine player agent regulations.
- 2.6. develop and manage player welfare principles and policies.
- 2.7. determine the appropriate criteria and parameters to establish a sustainable financial model that provides for secure growth.
- 2.8. ensure that the franchise is appropriately aligned to the South African Rugby high performance pathway for the development of players, coaches, referees and other officials.
- 2.9. ensure that the franchise provides an appropriate opportunity for players, coaches, referees and officials to be developed and perform to their full potential at national and international level.

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- 2.10. ensure alignment to and support to all strategic imperatives of South African rugby with specific reference to the Strategic Transformation Development Plan 2030 and Annexures to it.
- 2.11. perform any other activity as may be specifically requested by the Executive Council from time to time, and.
- 2.12. support training and development in amateur rugby structures.

3. COMPOSITION OF THE COMMITTEE

- 3.1. The Franchise committee comprising of representatives of not fewer than six (6) unions and not more than eight (8) unions as per the SARU constitution.
- 3.2. Relevant members of the Executive Council including but not limited to the President, the deputy president and the CEO of SARU.
- 3.3. The Chairman shall always be the President of SARU and in his absence, the deputy president, or the CEO of SARU, as the case may be.
- 3.4. The franchise members will be entitled to be accompanied by an additional member from their union, however, any associated costs of travel and accommodation for such additional member will be borne by the franchise member.
- 3.5. No business shall be transacted at any meeting unless a quorum is present.
- 3.6. The presence of more than 50% of members eligible to vote for a recommendation to the Executive Council will constitute a quorum.
- 3.7. The Committee may invite any associate members or any other individual (including external advisors) to attend all or any part of any meeting, in whatever capacity and for whatever purpose as deems appropriate. No such person so invited shall be entitled to vote on any matter or count for the purposes of a quorum.
- 3.8. The secretary of the committee shall be appointed by the Executive Council.

4. FUNCTIONING

- 4.1. The Committee shall meet via virtual application platforms at least two times a year or more frequently if the Committee agrees that is necessary in order to discharge its duties effectively. In-person meetings can take place when required subject to budget and Executive Council approval. One of the meetings could be in the form of a workshop.

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- 4.2. A copy of the agenda of the meeting including the minutes of the previous meeting shall be sent to the members of the Committee no less than 5 (five) days before the meeting.
- 4.3. Special meetings may be called by more than 50% of the franchise members or when deemed necessary by the SARU President and/or CEO. A secretary shall be appointed by the Executive Council to keep full and proper minutes of all meetings of the Committee and ensuring that the Office of the Company Secretary has proper records of all meetings and activities.
- 4.4. In order to perform their responsibilities, the Committee may obtain independent professional advice to assist the Committee from time to time.
- 4.5. On all matters delegated to the Committee by the Executive Council, the Committee makes recommendations for approval by the Executive Council. The Committee shall have no decision-making power in regard to its duties and is accountable to the Executive Council.
- 4.6. The Committee will seek at all times to make decisions by consensus, however, should this not be possible, a decision supported by 75% of the Committee members present will stand as the Committee's decision.

5. CONFIDENTIALITY AND GOVERNANCE

- 5.1. All members of the Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by the SARU's Code of Conduct and its Values.
- 5.2. All members of the Committee acknowledge that they will be discussing confidential and commercially sensitive and strategic information and that disclosure of such information to third parties may cause significant commercial, financial and reputational harm to SARU. Members therefore undertake to exercise full confidentiality in relation to all information which may come to their attention from time to time. No such information may be revealed to any persons outside of SARU without the prior authorisation of the Chairman.
- 5.3. Unless specifically authorised by the President and the CEO of SARU, no member of the Committee may make statements to the media.

6. REMUNERATION

- 6.1. Remuneration will be determined from time to time by the EXCO and communicated to Committee members.
- 6.2. Only independent members of the Committee who are not independent non-executive directors, as

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well as such other independent professionals as may be requested to assist or consult to the Committee on occasion, are eligible to receive such remuneration in respect of their time and contributions to the business of the Committee as may be determined by formal resolution of the Committee from time to time.

- 6.3. The approved SARU funding model caters for the members from unions to cover their own costs for all travelling, hotel and other expenses properly incurred by them in or about the performance of their activities as members or attendees.

7. REPORTING TO THE EXECUTIVE COUNCIL

- 7.1. The Committee shall submit a work plan of Committee activities for the year to the Executive Council after the Committee's first meeting for the year.
- 7.2. The Committee shall review and assess the adequacy of these Terms of Reference annually or more frequently if necessary and recommend changes as needed to Executive Council.
- 7.3. The Committee shall ensure that the members of the Committee undergo a review annually.