

FREQUENTLY ASKED QUESTIONS

The CEO SleepOut™ Trust's goal is to receive donations from third parties in relation to The CEO SleepOut™ Events, provide funding and support services, and ensure the funds are disseminated to the appointed Primary Beneficiaries with absolute transparency and accountability.

It's also responsible for ensuring the smooth activation of The Beneficiaries' Legacy Projects, born out of the funds raised from The CEO SleepOut™ Events.

As The CEO SleepOut™ Trust's legal advisors the below FAQ's and The CEO SleepOut™ Trust Deed have been revised with the assistance of EFG Incorporated.

1. WHAT TYPE OF LEGAL ENTITY IS THE CEO SLEEPOUT™?

Answer

- The CEO SleepOut™ was registered as a Trust on 19 March 2015, with Trust Registration Number: IT 00819/2015, and is governed by a Trust Deed which was lodged with the Master of the High Court (Pretoria). A copy of the Trust Deed is available at www.theceosleepoutza.co.za

2. HOW MANY TRUSTEES ARE REQUIRED FOR THE OPERATION OF THE TRUST?

Answer

- The CEO SleepOut™ Trust is required in terms of the Trust Deed to have no less than two Trustees (*please see question below in respect of the PBO Registration*) that have no connection to each other and who are able to exercise their functions independently. No Trustee may exercise direct or indirect control over The Trust without the input from the other Trustees.

3. WHAT DECISIONS CAN THE TRUSTEES MAKE?

Answer

- The Trustees have the discretion to make any decisions as long as they do not conflict with the provisions of or objectives set out in The Trust Deed.

4. HOW DO THE TRUSTEES MAKE DECISIONS AND DO THEY HOLD MEETINGS AND IF SO HOW MANY MEETINGS?

Answer

- The Trustees make decisions in accordance with the provisions of the Trust Deed. In order for a resolution to be adopted it is required to be passed by a majority of the Trustees.
- Meetings are held a minimum of four times within a year, although in practice the Trustees meet more than the prescribed four times per year.
- All meetings are minuted to reflect an accurate representation of the discussions of the Trustees and to enhance accountability and transparency and as far as possible adhere to the code of best practice set out in the King IV Report on Good Governance.
- Due to contractual reasons these Agendas and Minutes are confidential.

5. WHO ENSURES TRANSPARENCY REGARDING THE DISTRIBUTION OF MONEY RAISED TO BENEFICIARIES?

Answer

- The Trustees act in accordance with the provisions of the Trust Deed to ensure transparency.
- In addition, the Trustees have their books of account audited by an independent firm of auditors. This audit is undertaken in accordance with the prescribed auditing rules and is required in terms of the Trust Deed. The Trust's Annual Financial Statements are available at www.theceosleepoutza.co.za.
- When deciding on appointing Beneficiaries for each Event, the Trustees act in terms of the Trust Deed, the relevant legislation and the principles of The CEO SleepOut™ Intellectual Pillars focusing on Shelter, Healthcare, Nutrition, Education and Community.

6. ARE THE TRUSTEES OBLIGATED TO DISCLOSE CONFLICT OF INTEREST?

Answer

- Yes, in accordance with common law principles Trustees are required to disclose any and all conflicts of interest if/when it arises to their fellow Trustees.
- Trustees are entitled to render provisional services to The Trust provided that the fees charged are reasonable and market related.
- Trustees are not reimbursed for their time and service as Trustee.

7. WHO MAKES DECISIONS ON BEHALF OF THE TRUST?

Answer

- The Trustees have the authority to make decisions that bind The Trust. They are appointed from time to time in accordance with the provisions of the Trust Deed. The Trustees are given authority to act by the Master of the High Court. As a registered PBO The Trust is required to have 3 independent Trustees who are not related to each other

8. WHAT IS A PUBLIC BENEFIT ORGANISATION (PBO) AND HAS THE TRUST BEEN REGISTERED AS A PBO?

Answer

- Section 30 of the Income Tax Act of 1962 (*the Act*), sets out that in order to qualify and subsequently register as a PBO, the organisation must be a Section 21 company (*non-profit company*), an association of persons or a trust. It must further be registered as a non-profit entity under the Non-profit Organisations Act and have as its sole object to carry out one or more of the sixty seven public benefit activities set out in the Act under certain specified conditions.
- The public benefit activities must be carried on in a non-profit manner with altruistic or philanthropic intentions, be conducted for the benefit of or be widely accessible to the general public and may not promote the economic self-interest of any fiduciary or employee of the PBO.
- The CEO SleepOut™ Trust was registered as a PBO on 09 February 2017, with registration number: 930055276.

9. WHAT IS CONSIDERED AS A DONATION FOR THE PURPOSES OF A PBO AND WHAT ARE THE REGULATIONS THAT MUST BE FOLLOWED BY THE PBO?

- Donations (*a bona fide donation in cash or of property in kind*) may be received from various sources, including donations made by members of the public and by the state, for the purpose of enabling the PBO to redistribute the funds for philanthropic purposes.
- A PBO may not, however, accept donations that may be withdrawn for reasons other than the PBO failing to meet the purposes and conditions of the donation. A PBO may not accept a donation under any conditions which would allow for the donor or any connected person to receive any benefit from the use of the donation.

10. WHAT EFFECT DOES PBO STATUS HAVE?

Answer

- PBO'S are entitled to income tax exemptions.
- A Taxpayer who makes a donation to a qualifying PBO receives a Section 18A Tax Certificate, which entitles the taxpayer to a deduction from their taxable income. The Income Tax Act sets out certain requirements and the Trust fully complies with the requirements of issuing Section 18A certificates.