



UNIVERSITEIT  
STELLENBOSCH  
UNIVERSITY

## Setting Up of Legal Entities and / or Trusts in which SU has an Interest or in which SU is involved in any way

<b>Type of Document:</b>	Policy
<b>Purpose:</b>	This policy sets out the process that has to be followed in order to obtain approval for setting up a legal entity or a trust in which Stellenbosch University (SU) has an interest or in which SU is involved in any way, as well as guidelines for the information that must be provided in order for the request to be considered.
<b>Approved by:</b>	SU Council
<b>Date of Approval:</b>	2009
<b>Date of Implementation:</b>	2009
<b>Date of Next Revision:</b>	As required
<b>Date of Previous Revision(s):</b>	None
<b>Policy Owner<sup>1</sup>:</b>	Chief Operating Officer
<b>Policy Curator<sup>2</sup>:</b>	Director: Legal Services; Chief Director: Finance
<b>Keywords:</b>	Legal Entities, Trusts
<b>Validity:</b>	In case of differences in interpretation the English version of this policy will be regarded as the valid version.

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<sup>1</sup> Policy Owner: Head(s) of Responsibility Centre(s) in which the policy functions.

<sup>2</sup> Policy Curator: Administrative head of the division responsible for the implementation and maintenance of the policy

## **12. POLICY FOR THE SETTING UP OF LEGAL ENTITIES AND/OR TRUSTS IN WHICH STELLENBOSCH UNIVERSITY (SU) HAS AN INTEREST OR IN WHICH SU IS INVOLVED IN ANY WAY**

### **Scope:**

This policy sets out the process that has to be followed in order to obtain approval for setting up a legal entity or a trust in which Stellenbosch University (SU) has an interest or in which SU is involved in any way, as well as guidelines for the information that must be provided in order for the request to be considered.

### **Policy:**

### **Process:**

All requests for setting up a legal entity or a trust in which SU has an interest or in which SU is involved in any way shall be addressed to the Director: Financial Planning and Asset Management, in the format as prescribed below. The request shall then be submitted to the Finance Committee for consideration and recommendation to the Rector's Management Team (RMT).

### **Format and information:**

All applications shall be in a format that typically would cover the following elements:

1. The name of the legal entity/trust concerned and the reason for choosing this name.
2. A short executive summary that explains the following:
  - the motivation for setting up the legal entity/trust.
  - the way in which this legal entity/trust will promote the five-point vision statement and strategic priorities and objectives of the University.
  - the person(s) responsible for the financial bookkeeping of the legal entity/trust.
  - the reasons why the specific type of entity is preferred.
3. A thorough viability study that focuses on:
  - market realities
  - relevant technology (if necessary)
  - financial viability (which must be supported, by way of addenda, with statements of projected income streams and expenditure)
4. A business plan with measurable objectives, and allocated responsibilities/ accountabilities that clearly indicate how the proposed legal entity/trust will be managed.
5. An indication of the key risks to which the legal entity/trust concerned will be exposed, with the accompanying responsibility for governance in terms of which these risks will be addressed.
6. Regarding policy:
  - The Financial Policy, the policies of the Division: Human Resources, the Research Policy, the Policy on Intellectual Property and any other appropriate SU policies shall be complied with.
  - SU's policies shall be applicable to the legal entity/trust.

The Finance Committee shall decide whether the request will be recommended to the RMT for final approval. No legal entity/trust in which SU has an interest or in which SU is involved may be established without the RMT's approval.

### **Contact division:**

Financial Services