

**TSHWABAC**

**MEMORANDUM  
&  
ARTICLES OF ASSOCIATION**

**(as amended on 27 February 2006)**

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**MEMORANDUM OF COMPANY**  
**OF THE**  
**TSHWANE BUSINESS AND AGRICULTURAL CORPORATION**

- I. The name of the Company is the TSHWANE BUSINESS AND AGRICULTURAL CORPORATION (A Company incorporated under Section 21), hereinafter and in the Articles of Company referred to as "The Corporation".
- II. The name of the Company in Afrikaans is: TSHWANE BESIGHEIDS- EN LANDBOU KORPORASIE ('n Vereniging ingelyf kragtens Artikel 21).
- III. The shortened form of the name of the Chamber is: TSHWABAC.
- IV. The registered office of the Corporation will be situated in the Gauteng Province of the Republic of South Africa.

**V. MAIN BUSINESS**

"To promote and maintain the interests of its members through meetings, agricultural and trade shows, congresses, conventions, exhibitions, the promotion of local and international trade, educational, cultural, recreational, social and related activities and to provide support to business, agricultural, mining and commercial enterprises, medium, small and micro business, service organisations and educational and training institutions all without seeking profit."

**VI. MAIN OBJECT:**

The main object for which the Corporation is established is: "To promote and maintain the interests of its members through meetings, agricultural and trade shows, congresses, conventions, exhibitions, the promotion of local and international trade, educational, cultural, recreational, social and related activities an to provide support to business, agricultural, mining and commercial enterprises, medium, small and micro business, service organisations and educational and training institutions all without seeking profit."

And further in pursuance thereof:

1. To encourage and promote co-operation between business, agricultural, mining and commercial enterprises and people, medium, small and micro business, service organizations and educational and training institutions.
2. To organize and promote the annual International Pretoria Show and to offer and award prizes for exhibits of industrial and commercial nature, livestock and products of the soil and any other or further exhibits as may from time to time be thought fit;
3. To liaise and co-operate with international business and/or agricultural organizations, exhibitions and entities.
4. To liaise with all governmental organizations, agencies and organizations established by law in order to promote the objectives of the Corporation and to enter into any arrangement (included but not limited to funding) or otherwise with any such organizations or agencies.
5. To promote, support, or oppose, as may be deemed expedient, any legislative or other measures in order to achieve the objectives of the Corporation.
6. To collect, process and disseminate information.
7. To encourage and promote sound economic measures and actions to ensure sustained economic growth
8. To encourage the breeding of purebred stock, the improvement of stock and general farming.
9. To promote productivity in agriculture and business.
10. To encourage the proper preparation of agricultural products for domestic consumption.
11. To encourage new inventions and the introduction of new varieties of all agricultural products.
12. To promote and/or assist with competitions in regard to agricultural products and any other primary production implements of husbandry.
13. To acquire the assets and liabilities of the existing entity known as the Transvaal Agricultural Society on such terms and conditions as the Directors in their discretion regard to be in the interests of the Corporation;

14. It is the intention that the objects specified in each paragraph of this Clause V shall, except where otherwise expressed in such paragraph, be in no way limited by reference to or inference from the terms of any other paragraph or the name of the Company.

## **VII. ANCILLARY OBJECTS EXCLUDED**

No ancillary objects are excluded.

## **VIII. CONDITIONS**

- (a) The income and property of the Corporation shall be applied solely towards the promotion of the objects of the Corporation as set forth in this Memorandum of Company, and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus, salary or otherwise by way of profit, to the Members of the Corporation, provided that nothing herein contained shall prevent the payment in good faith in remuneration to any officer, employee or independent contractor of the Corporation or to any Member thereof in return for any services or goods, actually rendered or supplied; nor to prevent the payment of interest on money borrowed by the Corporation from Members; nor the payment of reasonable and proper rent for premises let by any Member to the Corporation.
- (b) If, upon winding up or dissolution of the Corporation, there remains, after the due satisfaction of all its debts and liabilities, any property whatsoever, it shall not be paid to or distributed amongst the Members of the Corporation, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Corporation, and to be determined by the Members of the Corporation at or before the time of dissolution, and in default thereof, by the Supreme Court of the Republic of South Africa at the date of dissolution of the Corporation.

## **IX. POWERS**

1. Except as provided for in paragraph 2 hereunder the Corporation shall have the powers set out in Schedule 2 to the Companies Act.
2. The specific powers or part of any specific power of the Company, set out in Schedule 2 to the Act/ are in terms of section 34 of the Act, qualified as follows:
  - 2.1 Paragraph (a) is to read: " To purchase or acquire in any way equipment, requirements, necessaries, accessories and fittings or other items necessary to carry on its main business;".
  - 2.2 Paragraph (b) is to read: "to manage, insure, sell, lease, dispose of, give in exchange, improve or in any way otherwise deal with its assets, including buildings;".

- 2.3 Paragraph (g) is to read: "to invest money with registered financial institutions as defined in section 1 of the Financial Institutions (Investment of Funds) Act, 1984, (Act 39 of 1984).
- 2.4 Paragraph (k) is to read: "To form and have an interest in any company or companies or Companies of a similar nature having the same or similar objects to the Company, for the purpose of acquiring the undertaking or all or any of the assets or liabilities of that company or companies or Companies or for any other purpose which may seem directly or indirectly, calculated to benefit the Company, and to transfer to any such company or companies or Companies the undertaking of all or any of the assets or liabilities of the Company; provided that such other company or companies or Companies have the same or similar objects to the Company and are themselves exempt from income tax in terms of section 10(l)(d) of the Income Tax Act (if this Company has been granted such exemption), and are authorised in terms of the Fundraising Act, 1978, (if applicable)."
- 2.5 Paragraph (l) is to read: "To amalgamate with any company or companies having the same or similar objects to the Company, provided that such other company or companies or Companies are themselves exempt from income tax in terms of section 10(l)(d) of the Income Tax Act (if this Company has been granted such exemption), and are authorised in terms of the Fundraising Act, 1978, (if applicable)."
- 2.6 Paragraph (m) is to read: "To take part in the management, supervision and control of the business or operations of any other company or business having the same or similar objects as the Company, and to enter into partnerships having the same or similar objects as the Company, provided that such other company or companies or Companies are themselves exempt from income tax in terms of section 10(l)(d) of the Income Tax Act (if this Company has been granted such exemption), and are authorised in terms of the Fundraising Act, 1978, (if applicable)."
- 2.7 Paragraph (n) is to read: "to remunerate any person or persons in cash for services rendered in the formation or development of its business excluding directors or officers of the Company."
- 2.8 Paragraph (r) is to read: To pay gratuities and pensions and establish pension schemes in respect of its bona fide employees."
- 2.9 Paragraph, (o) is to read: "to make donations only in accordance with the main object of the Corporation, but not to members.
3. Additional to the powers set out above, the Corporation shall also have the powers:
- 3.1 To make regulations necessary or expedient for the efficient administration of the Corporation or the attainment of its objectives.

- 3.2 To print or publish or subsidize, or assist therein, any newspapers, periodicals, books or leaflets that the Corporation may think desirable for the promotion of its objectives.
- 3.3 To accept any gift, whether subject to any special trust or not, for any one or more of the objectives of the Corporation.
- 3.4 To engage, appoint, or employ on contract or otherwise, advisors, technical or professional assistants, managers, secretaries, or employees of any description necessary in the interests of the Corporation, either in return for a fixed wage and to provide for sick and retirement benefits, or otherwise and to remove, suspend, or discharge such persons.
- 3.5 To provide funds for research in furtherance of the objectives of the Corporation.
- 3.6 To establish, support, amalgamate or affiliate with any company, institution, society or Company having objects similar to those of the Corporation.
- 3.7 To hold or promote sales by auction of livestock and agricultural products.
- 3.8 To do all such other things necessary to achieve all of any one of the objectives of the Corporation.

**X. GUARANTEE**

- (a) The liability of members is limited to the amount referred to in paragraph (b).
- (b) Each Member of the Corporation undertakes to contribute to the assets of the Corporation in the event of the same being wound up during the time that he is a Member or within one year afterwards, for payment of the debts and liabilities of the Corporation contracted before he ceases to be a Member, and the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the Contributors among themselves, such amount as may be required not exceeding, however, the sum of One Rand (R1.00).

**REPUBLIC OF SOUTH AFRICA**

**COMPANIES ACT, 1973**

**ARTICLES OF ASSOCIATION**

**of the**

**TSHWANE BUSINESS AND AGRICULTURAL CORPORATION**

**Articles OF ASSOCIATION OF A COMPANY NOT HAVING A SHARE CAPITAL  
AND NOT ADOPTING SCHEDULE 1  
(section 60(1); regulation 18)**

Registration No of Company

**1951/00015/08**

- 1 The articles contained in Table "A" of Schedule 1 of the Companies Act, 1973 shall not apply to the Company.

## **INTERPRETATION**

2 In these Articles if not inconsistent with the subject or context the words standing in the first column of the following table shall bear the meanings set opposite them in the second column thereof:

<b>WORDS</b>	<b>MEANINGS</b>
Act	The Companies Act, 1973, as amended or any Act passed in substitution thereof
Articles	these Articles of the Company or as amended from time to time by Special Resolution
Board of Directors	the Directors forming the Board of Directors of the Company from time to time
Chairperson	the Chairperson of the Board of Directors
Codes	means Codes of the Company with such modifications, alterations and additions thereto as may from time to time be in force
Company	means the TSHWANE BUSINESS AND AGRICULTURAL CORPORATION
Vice Chairperson	the Vice Chairperson of the Board of Directors
Director	<p>any natural person who is not disqualified in terms of section 218 of the Companies Act no 61 of 1973 as amended from being appointed, or to act, as a director of a company, and</p> <ul style="list-style-type: none"> <li>• who is a member of the Company and who has been duly elected and appointed as a director of the Company; or</li> <li>• who is the duly authorised representative of a legal entity which is a member of the Company and who has been duly elected and appointed as a director of the Company, provided: that such</li> </ul>

	appointment shall only be valid for as long as he/she remains the duly authorised representative of the relevant legal entity
Financial Year	from 1 March of one year to 28 February (or 29 February in a leap year) of the following year
General Meeting	any General Meeting of the Company or any adjournment thereof, as the case may be, or any Annual General Meeting in terms of section 179 of the Act
Honorary Member	means a person granted honorary membership in terms of Article 10.9
in writing	written, printed or lithographed or partly one and partly another, and other modes of representing of producing words in a visible form including but not limited to electronic means
member	means a member of the Company as defined in Article 10.1 and shall include such members duly authorized representative, and for the purpose hereof shall not be a legal representative.
Memorandum	the Memorandum of Company for the time being of the Company
month	a calendar month
office	the registered office of the Company for the time being
register	means the register of members kept in terms of the Statutes
Republic	means the republic of South Africa

Special business shall mean all business that is discussed at a General Meeting, other than at an Annual General Meeting and also all business that is discussed at an Annual General Meeting, with the exception of the consideration of the annual financial statements, the remuneration and election of directors to the Board of Directors and the appointment and fixing of the remuneration of the auditors;

year calendar year

- 3 Words importing the singular shall include the plural and *vice versa*.
- 4 Words importing the masculine gender shall include the other gender.
- 5 Words importing persons shall include corporations and legal entities.
- 6 The expression the Secretary shall include a temporary or assistant Secretary and any person including a body corporate duly appointed to perform any of the duties of the Secretary.
- 7 Reference to any provision of the Act shall be construed as a reference to such provision as modified by any Statute for the time being in force.
- 8 Any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

#### **OFFICES OF THE COMPANY**

- 9 Unless and until otherwise decided by Special Resolution, the registered and administrative offices of the Company shall be in PRETORIA.

#### **MEMBERS**

10.1 The members will consist of the following classes:

10.1.1 Deleted

10.1.2 "Life Members" means the Members, Life Members and Honorary Members of the Tshwane Business and Agricultural Corporation as at 16 November

2004 and who shall have all rights and obligations of members, except that, notwithstanding anything said in these Articles, they are exempted from paying any membership fee or any annual fee of whatever nature.

- 10.2 Deleted
- 10.3 All Past Presidents of the Northern Transvaal Chamber of Industries as on 30 June 1999 shall *ex officio* be members of the Executive Committee of the National Business and Trade Chamber, a division of the Company or any other body that may be established for the same purpose.
- 10.4 In applying for membership an applicant must indicate whether he represents commerce, agriculture or both.
- 10.5 Every applicant must subscribe in writing to the objects of the Company as set out in the Memorandum.
- 10.6 The decision of the Directors shall be final in allowing any applicant to become a member.
- 10.7 Deleted
- 10.8 Deleted.
- 10.9 The General Meeting may grant honorary membership to any person in accordance with a Code setting out the criteria for honorary membership.

### **ADMISSION OF MEMBERS**

- 11 Application for membership of the Company shall be made in writing to the Company in a form approved by the Board of Directors, provided that no applications in respect of any new member shall be approved by the Board of Directors after 9 December 2003.
- 12 The application shall be submitted to the Board of Directors who shall have the power to admit the applicant to membership after making such inquiry as they may deem necessary or desirable in order to determine the suitability or eligibility of the applicant for admission.
- 13 A new member shall not be entitled to the benefits of membership until the prescribed entrance fee and any current membership fee shall have been paid to the Company.

- 14 The successful applicant, if it is a legal entity or partnership, shall on being informed of its admission as member submit to the Company in writing the name of the person who shall be the authorised representative of the partnership or legal entity to attend and vote at all meetings (hereinafter referred to as the principal member) and shall also name the alternate who may act for the principal member in his absence. The member shall be responsible to inform the Company of any change of its authorised representative and his alternative.
- 15 Every member shall register with the Company his fixed and permanent address as well as his postal and electronic (if any) address to which communications may be directed and every member shall from time to time advise the Company in writing of any change in any of these addresses.
- 16 No person who shall have been a member of the Company and shall have ceased to be such shall be eligible for re-admission until he has paid all arrears of membership fees and/or levies (if any) due by him to the Company as at the date when his former membership ceased and no person whose former membership shall have been terminated by reason of his expulsion may, except as hereinafter provided, be re-admitted into membership without the prior approval of the membership in General Meeting.

#### **RIGHTS OF MEMBERS**

- 17 Every member, except Honorary Members, who is fully paid up regarding his membership fees and/or levies shall have the following rights:
  - 17.1 To receive, from a person duly authorised by the Company, information which is in the possession of the Company, which it may legally disclose in accordance with its objects and which the Board of Directors in their discretion have approved to be so disclosed.
  - 17.2 To receive, at the discretion of the Board of Directors, such assistance as may be rendered in terms of these Articles.
  - 17.3 To take part in any discussion on any matter at any General Meeting or Annual General Meeting of the Company.
  - 17.4 To vote on any resolution put to General Meeting or Annual General Meeting of the Company.
  - 17.5 To nominate and vote for officers and a Director of the Company.

- 17.6 To be nominated to and become a member of the Board of Directors and any committee and hold any office in the Company.
- 18 Every Honorary Member shall have the following rights:
- 18.1 To receive, from a person duly authorised by the Company, information which is in the possession of the Company, which it may legally give out in accordance with its objects and which the Board of Directors in their discretion approved to be given out.
- 18.2 To receive, at the discretion of the Board of Directors, such assistance as may be rendered in terms of these Articles.
- 18.3 To take part in any discussion on any matter at any General meeting of the Company, save that they shall not be entitled to a vote at such meetings.
- 19 Members shall be entitled to free admission of the International Pretoria Show on such terms and conditions as the Board of Directors from time to time may determine.

#### **DURATION OF MEMBERSHIP**

- 20 Any member shall cease to be such :
- 20.1 If, in the opinion of the Board of Directors, such a member no longer qualifies for membership and a letter to this effect is posted to the member to the address which has been provided to the Company by a member at which a member will receive all correspondence from the Company. It will be the member's responsibility to notify the Company of any change of address.
- 20.2 Upon a member, which is a legal entity, being wound up or dissolved.
- 20.3 Upon the estate of an individual or member of a partnership, being finally sequestrated or upon the member ceasing to carry on business.
- 20.4 Upon receipt of a letter from the Board of Directors accepting his written resignation from membership.
- 20.5 Upon the passing of a resolution at a General Meeting of the Company and passed by two-thirds of the members present and voting at such meeting resolving that it is

undesirable in the interest of the Company that such member shall remain a member of the Company, provided that the said member received twenty one (21) days prior to the meeting written notice stating that his continued membership shall be considered at the meeting and the reasons for this fact and that such a member has had the opportunity of attending the meeting either personally or by a representative in order to state his case and answer any charge or complaint against him.

- 20.6 If a member fails to pay in full any fees payable in terms of these Articles within three (3) months of the due date.
- 21 No refund of any membership fee or levy or part thereof shall be payable to any member upon termination of membership.
- 22 A member may resign by giving three (3) months notice in writing to the Company and provided that all monies due to the Company by the member concerned shall have been paid.
- 23 No resignation shall be accepted from any member while there are proceedings pending against him under the provisions of these Articles and/or Codes.

#### **ENTRANCE FEES**

- 24 Each member shall immediately upon admission to the Company pay an entrance fee as the Board of Directors may determine.
- 25 Deleted

#### **MEMBERSHIP FEES**

- 26 The membership fees payable to the Company shall be for such amounts as a General Meeting of the Company may decide, upon a recommendation of the Board of Directors, but shall not exceed (R10-00) Ten Rand per annum.
- 27 Deleted
- 28 In addition a levy to meet any special, unusual or other expense may be imposed from time to time by a General Meeting on the recommendation of the Board of Directors.
- 29 All fees shall be payable annually in advance and shall become due on the first day of each financial year of the Company or on the date of the General Meeting deciding the membership fees or such other date as determined by such General Meeting.

- 30 The amount owing by a member to the Company may be deducted from any amount owing by the Company to such member.
- 31 No person shall be eligible for election to any committee or as Director if, at the time of his nomination, the membership fee or levies payable by him or the person he represents is in arrears.

### **BOARD OF DIRECTORS**

- 32 The Board of Directors shall consist of not more than nine (9) natural persons consisting of the following:
- 32.1 A person who shall be a full-time employee of the Company and who may be appointed by the Board of Directors. He shall have all the rights and obligations of a Director except that he will not have the right to vote on the Board of Directors and he may not be elected as Chairperson or Vice Chairperson. Such a person shall *ex officio* be a director and Articles 35 and 38 will not apply to such a person.
- 32.2 Four (4) members engaged in agricultural activities shall represent the interest of agriculture and four (4) members engaged in business activities shall represent the interest of business other than agriculture.
- 32.3 Deleted.
- 33 Deleted.
- 34 The Board of Directors shall be responsible for the design of a nomination form, voting forms, or any other form necessary to achieve the objectives set out in article 32.
- 35 Unless determined otherwise, as contemplated in Article 37 or 38, and subject to Article 36, a member elected to the Board of Directors will serve for two (2) consecutive years and be eligible for re-election, provided that a members' uninterrupted sitting on the Board will not be limited to any period but it may be for a shorter period if such member was not initially elected or co-opted for a full term or if such members' term was terminated before it would have expired in the normal course of business.
- 36 At least four (4) Directors shall retire each year, two (2) Directors representing agriculture and two (2) Directors representing commerce.
- 37 The Directors shall determine amongst them who shall retire in order to achieve continuation on the Board of Directors.

- 38 If agreement cannot be reached between the Directors, the Directors who will retire will be determined by the lot.
- 39 Forms calling for the nomination and seconding of Directors shall be circulated among members not less than twenty-one (21) days before the Annual General Meeting, each nomination of a person to stand as Director made by a fully paid-up member have to be seconded by another fully paid-up member. No person may nominate himself as a Director.
- 40 The completed nomination and seconding forms shall be lodged with the Company at least ten (10) days prior to the Annual General Meeting.
- 41 Any eligible member nominated to serve on the Board of Directors shall, in writing, indicate to the Company his willingness to accept such nomination.
- 42 Unless such written acceptance is lodged at least ten (10) days prior to the Annual General Meeting, it will invalidate the nomination of the nominee and the name of the nominee shall not appear on the ballot form.
- 43 Should the exact number or less of the required nominations to fill all the vacancies on the Board of Directors have been received in terms of these Articles, those nominees shall be deemed properly elected. If sufficient nominations have not been received to comply with article 32, members may nominate at the Annual General Meeting eligible members for vacancies not filled through the nomination process to serve on the Board of Directors.
- 44 The election shall be by ballot.
- 45 The election of Directors shall be on the basis of the candidates receiving the highest number of votes for the vacancies.
- 46 Any member may be elected in his absence from an Annual General Meeting, except those elected in terms of Article 43 who have to be present at and voted for at the Annual General Meeting.
- 47 A Director, by accepting his appointment of office as such/ shall be deemed to have agreed to be bound by all the provisions of these Articles.

#### **OFFICES OF DIRECTORS**

- 48 The Directors shall at the conclusion of Annual General Meeting meet to appoint from their number a Chairperson, who shall be a serving director on the previous Board, and a Vice-Chairperson, and they will hold office until the next Annual General Meeting.

- 49 The quorum at the meeting electing the Chairperson and Vice Chairperson shall be six (6) Directors.
- 50 Upon any vacancy occurring on the Board of Directors prior to the next Annual General Meeting, the vacancy in question may be filled by the Board of Directors.
- 51 The office of Chairperson and Vice Chairperson shall *ipso facto* be vacated by the Director holding such office upon his ceasing to be a Director for any reason.
- 52 In the event that there is no Chairperson or Vice Chairperson, the Board of Directors shall immediately meet to appoint one of their number as a replacement in such office.
- 53 Save as otherwise provided in these Articles, the Chairperson shall preside at all meetings of the Board of Directors or of members and shall perform all duties incidental to the office of Chairperson and such other duties as may be prescribed by the Board of Directors and shall allow or refuse to permit invitees to speak at any such meetings, provided however, that any such invitees shall not be entitled to vote at any such meetings.
- 54 If the Chairperson is not available for whatever reason to fulfill his function the Vice Chairperson shall assume the powers and duties of the Chairperson.
- 55 The Directors shall be entitled to be paid all reasonable and *bona fide* expenses incurred by them respectively in or in the course and scope of the performance of their duties as Directors, but save as aforesaid, shall not be entitled to any other remuneration, fees or salary in respect of the performance of such duties.
- 56 The Board of Directors may pay any Director who serves on any committee or who devotes special attention to the business of the Company, or otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, such remuneration as they may determine.

#### **QUALIFICATION AND REMOVAL OF DIRECTORS**

- 57 A member shall not qualify to be nominated as a Director if/ or shall be deemed to have vacated the office of Director as such in the event of:
- 57.1 The sequestration of his estate, whether provisionally or finally, or any attempt by him to surrender his estate.
- 57.2 He made or is making any arrangement or composition with a creditor.

- 57.3 He was or is convicted of any offence involving dishonesty.
- 57.4 He is or is becoming of unsound mind.
- 57.5 His resignation from the office of Director in writing delivered to the Company.
- 57.6 He was removed from office as provided in Section 220 of the Act.
- 57.7 He does not have the qualification for membership.
- 57.8 A resolution unanimously passed by the General Meeting resolving that it is not desirable or in the interests of the Company that a person shall remain Director. No such resolution shall become effective unless the notice convening the meeting indicates that the meeting shall consider such a resolution and the affected member shall be entitled to attend the meeting in order to make representations and to answer any allegations made against such a member.
- 57.9 Notwithstanding any other provision in these Articles, a person may not be elected or appointed to any office when he has reached the age of seventy (70) years unless the Annual General Meeting, based on special circumstances decides otherwise in respect of any specific individual. If a person has been elected to office and becomes seventy (70) during the term he serves, then such a person can complete his term of office.

Provided that anything done by a person, in good faith in his capacity as Director, or by a person who ceases to be a Director or should not have been elected as a Director, shall be valid until the fact that he is no longer a Director has been recorded in the minute book of the Board of Directors or the Board of Directors ratified such act.

#### **FUNCTIONS AND POWERS OF THE BOARD OF DIRECTORS**

- 58 The Board of Directors shall meet for the dispatch of business and adjourn or otherwise regulate its meetings as it may decide, provided that it shall meet at least four (4) times in each year.
- 59 The first meeting in each year to be held within twenty one (21) days after the Annual General Meeting and subsequent meetings shall be held quarterly.
- 60 The Board of Directors shall as evidenced by the signature of the Chairperson issue annually within six (6) months after the end of the financial year of each year :

- 60.1 A report on its activities for the preceding twelve months.
  - 60.2 A statement of accounts duly certified by the auditors appointed by the Annual General Meeting.
- 61 Subject to the express provisions of these Articles, the Board of Directors shall:
- 61.1 Have full powers to determine the financial, administrative and strategic policy in respect of the business and affairs of the Company and such powers shall not be limited by the powers referred to in articles 61.2 to 61.7 hereunder, subject to the objects of the Company as determined in the Memorandum and Articles or decided at Annual General Meeting.
  - 61.2 Save as may be expressly prohibited in these Articles, exercise all such powers of the Company, and do all such acts on behalf of the Company as may be exercised and done by the Company and as are not by the Act or by these Articles required to be exercised or done by the Company in General Meeting, provided that no decision taken at a General Meeting shall invalidate any prior act of the Board of Directors which would have been valid if such resolution had not been made.
  - 61.3 Deal with all matters remitted to it by a General Meeting.
  - 61.4 Create such reserves as may from time to time seem expedient or desirable, borrow or raise money for the purposes of the Company and secure the repayment thereof on such terms and in such a manner as they think fit.
  - 61.5 Institute, defend, bring, carry on or discontinue, or refer to arbitration or compromise any proceedings, actions, suits, claims and demands for or against the Company or in regard to any matter affecting the interests of the Company.
  - 61.6 Use the funds of the Company for any of the purposes provided for in these Articles and to make grants-in-aid in respect of any litigation in which the Company may be interested or by which the Company may be affected.
  - 61.7 Take action against any member or official of the Company for any breach of the terms of these Articles.
  - 61.8 Defend legal proceedings instituted against any Director in relation to any matter or thing done or performed by any such member in his capacity as Director and to indemnify him against all costs in any such legal proceedings, subject to the provisions of Articles 131-133 below.

- 61.9 Appoint or nominate or authorise any of the officers of the Company to act on behalf of the Company for the purpose of entering into any contract, subject to Article 61.1 above.
- 61.10 Administer any fund established by the Company.
- 61.11 Invest, retain, realise and re-invest any monies not required for the immediate business of the Company in registered financial institutions as defined in section 1 of the Financial Institutions (Investment of Funds) Act, 1984, (Act 39 of 1984).
- 61.12 Open and operate banking accounts of the Company and to delegate to any other person the right to sign all documents, including bills of exchange, promissory notes or powers of attorney for and on behalf of the Company.
- 61.13 Delegate any of its rights, without relieving them of their fiduciary responsibility, to such persons and on such conditions as the Directors may deem fit.
- 61.14 Co-opt from time to time, without voting rights, such persons who may be of assistance to the Directors, by reason of their knowledge, ability or the office they hold.
- 61.15 Raise or borrow any sum of money for the purpose of the Company provided that the amounts in aggregate so raised or borrowed shall not exceed such amount as may be determined from time to time by the Company in General Meeting.
- 61.16 Raise or secure the repayment of such money in such manner and upon such terms and conditions in all respects as they think fit.
- 61.17 Develop Codes for the Company. All such Codes shall be approved and ratified by a General Meeting and shall be binding on the Company and all the members of the Company. Any Code shall remain in force unless and until amended or rescinded by a resolution of a General Meeting.
- 62 The Board of Directors shall have the right to vary, cancel or modify any of its decisions and resolutions from time to time.
- 63 The Board of Directors may investigate any suspected or alleged breach of these Articles by any members, official or Director in such reasonable manner as it shall decide from time to time.

#### **PROCEEDINGS OF DIRECTORS**

- 64 The Directors may meet for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.

- 65 The Chairperson and in his absence the Vice Chairperson and if he is not present any other Director shall give seven (7) days' written notice of a meeting, provided that the Chairperson may authorise that shorter notice be given in an emergency.
- 66 Questions arising at any meeting shall be decided by a majority of votes.
- 67 In the event of an equality of votes, the Chairperson shall have a second or casting vote.
- 68 Two (2) Directors jointly may at any time convene a meeting of the Directors.
- 69 Subject to the provisions of Sections 234 to 241 inclusive of the Act/ a Director shall not vote in respect of any contract or proposed contract with the Company in which he is interested, or any matter arising there from, and if he does so vote, his vote shall not be counted.
- 70 The quorum necessary for the transaction of the business of the Directors shall be five (5).
- 71 If at any meeting a quorum is not present within half-an-hour from the time appointed for the meeting the meeting shall stand adjourned to a day and time to be decided by the Chairperson and if he is not present by the majority of the Directors present. The Chairperson and if he is not present a Director present, appointed by the others present for this purpose, shall notify all the other Directors in writing of the time, date and place of the adjourned meeting. If at such adjourned meeting a quorum is not present within half-an-hour from the time appointed for the meeting, the members present shall form a quorum.
- 72 Subject to the provisions of the Act, a resolution in writing signed by all the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held.
- 73 If the Chairperson is not present the Vice Chairperson and if he is not present within five (5) minutes after the time appointed for holding a meeting, the Directors present may elect one of their number to be Chairperson of the meeting.
- 74 The Board of Directors shall cause minutes to be made in books provided for the purpose:
- 74.1 Of all appointments of officers made by the Board of Directors.
  - 74.2 Of the names of the Directors present at each meeting.
  - 74.3 Of all resolutions and proceedings at all meetings of the Company and of the Board of Directors and of all subcommittees of the Company.

**COMMITTEES**

- 75 The Board of Directors shall have the right to appoint committees to assist the Board of Directors.
- 76 The Board of Directors shall be obliged to appoint an Audit Committee as soon as possible after its appointment.
- 77 The Audit Committee shall consist of not less than four (4) persons, the majority of which shall be Directors.
- 78 Any committees formed in terms of these Articles shall, in the exercise of the powers so delegated, conform to any rules that may be imposed on it by the Directors without relinquishing the Board of Directors' accountability.
- 79 A committee may elect a Chairperson of its meeting. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five (5) minutes after the time appointed for holding the same, the members present may elect one of their number to be Chairperson of the meeting.
- 80 A committee may meet and adjourn as it thinks fit.
- 81 A quorum shall be one-third of the members of such committee, provided that not less than 2(two) persons are present.
- 82 Questions arising at any meeting shall be determined by a majority of votes of the members present and in the event of an equality of votes, the Chairperson shall have a second or casting vote.
- 83 All acts done by any meeting of the Directors or a committee of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and were qualified to be a Director.
- 84 The termination of office of such committees shall coincide with each Annual General Meeting unless the termination of office is set before the date of the Annual General Meeting by the Board of Directors, excepting in respect of the latter the Audit Committee whose services can be terminated by resolution at General Meeting.

**EXECUTIVE DIRECTOR**

- 85 If an Executive Director is appointed, he shall be responsible:
- 85.1 For the day-to-day management of the Company according to the objectives agreed to by the Board of Directors and the Executive Director,
  - 85.2 To ensure that all moneys payable to the Company, are received and paid into the banking account of the Company as soon as possible thereafter.
  - 85.3 To ensure the keeping of proper record of the financial transactions of the Company and to issue and obtain proper documents for the receipt and payment of monies respectively.
  - 85.4 To execute the delegated authority regarding the withdrawal of monies from Company banking accounts as approved by the Board of Directors.
  - 85.5 To perform such other duties as are delegated to him by the Board of Directors.
  - 85.6 To comply with all the requirements of the Act.

**ACCOUNTS**

- 86 The Board of Directors shall cause accounts as required by the Act to be kept:
- 86.1 Of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure took place.
  - 86.2 Of all sales and purchases of goods by the Company.
  - 86.3 Of the assets and liabilities of the Company.
- 87 The books and accounts shall be kept at the offices or subject to Section 284(3) of the Act, at such other place or places as the Board of Directors may think fit and shall always be open to inspection by the Directors.
- 88 No member (other than a Director) shall have any right to inspect any account or book or document of the Company except as conferred by law or authorised by the Board of Directors.

**GENERAL MEETINGS OF THE COMPANY**

- 89 The Directors shall convene and there shall be held all such meetings as may be required in law and in addition there shall be held during May or as soon as possible thereafter of each year a meeting of members which shall be known as the Annual General Meeting of the Company.
- 90 In the event of the Board of Directors deciding that the period stipulated is inconvenient they shall convene the Annual General for another date which it may deem more suitable but which shall not be later than 30 November of any year.
- 91 All General Meetings of the Company other than Annual General Meeting shall be extraordinary and shall be called General Meetings.
- 92 A copy of the Directors' and auditors' reports shall be sent to every member entitled to vote at General Meeting with the notice intended in article 112. This article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware.
- 93 The ordinary business of an Annual General Meeting shall be;
- 93.1 To read and confirm the minutes of the previous Annual General Meeting and any General Meeting which may have been held during the year under review.
- 93.2 To receive the report of the Chairperson on behalf of the Board of Directors covering the activities of the Company during their period of office.
- 93.3 To receive the balance sheet and statements of revenue and expenditure covering all the activities of the Company, duly audited for the same period.
- 93.4 To elect Directors as provided in these Articles.
- 93.5 To appoint an auditor who shall be a chartered accountant.
- 93.6 To establish the membership fees and/or levies for the following financial year.
- 93.7 To consider resolutions submitted in accordance with these Articles.
- 94 The Chairperson or in his absence the Vice Chairperson or in his absence the Executive Director shall act as chairman at every General Meeting of the Company.
- 95 No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business.
- 96 The quorum for a General Meeting is twenty-five (25) members having voting rights.
- 97 Only members entitled to vote in the Company shall be counted as part of a quorum.

- 98 Subject to section 199(2) of the Act/ if within thirty (30) minutes of the time fixed for any meeting a quorum is not present, the meeting shall stand adjourned to a time later on the same day or to such date and place as the chairman of the meeting shall decide and written notice of the adjournment shall not be required to be given to members. At such adjourned meeting the members present shall be deemed to be a quorum.
- 99 The chairperson of a General Meeting may with the consent of the meeting at which a quorum is present and shall, if so directed at the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and save as provided in these Articles, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 100 The chairperson of the General Meeting may require any motion to be submitted to a General Meeting to be reduced to writing and submitted to the Secretary not less than ten (10) days prior to such meeting.
- 101 Upon the motion, duly seconded, of any member at an Annual General Meeting such meeting can resolve itself into committee for such period as the chairperson of that meeting in his discretion may allow.
- 102 The Board of Directors may at any time convene a general meeting for the purpose of discussing special business subject to the provisions of the Act and article 103 below.

**REQUISITION FOR THE CALLING OF A GENERAL MEETING FOR THE PURPOSE OF DISCUSSING SPECIAL BUSINESS**

- 103 A requisition for the calling of a General Meeting of the Company for the purpose of discussing special business shall be lodged with the Company and shall be signed by at least ten (10) members of the Company and shall state clearly the object of the meeting and the special business to be discussed thereat.

**NOTICES**

- 104 Twenty-one day's (21) notice shall be given for any special resolution as defined in the Act.
- 105 All Annual General Meetings of the Company shall be convened by circular giving (fourteen) 14 clear days' notice before the date of such meeting.

- 106 Not less than twenty-one (21) day's notice of a General Meeting as intended in article 102.
- 107 Any notice or other document, if served by post, shall be deemed to have been served at the time when it was put into the post office, and in proving such service it shall be sufficient to prove that the notice or document was properly addressed, stamped and put into the post office.
- 108 Any notice or other document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding that such member be then dead or insolvent, and whether or not the Company has received notice of his death or insolvency, be deemed to have been duly served unless his name shall, at the time of the service of the notice or document, have been removed from the members' roll and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested.
- 109 The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting, and in the case of special business, the general nature of that business.
- 110 Any notice or other document may be served by the Company on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his address registered in terms of these Articles, provided that electronic media can be used if agreed to by the member.
- 111 The notice convening an Annual General Meeting shall specify the meeting as such, and the notice convening a meeting to pass a Special Resolution shall specify the intention to propose the resolution as a Special Resolution.
- 112 Notice of every General Meeting shall be given in the manner herein provided to such persons as are, in accordance with the provisions of these Articles, entitled to receive such notices from the Company and to vote at any General Meeting and also to the auditors of the Company for the time being.
- 113 The non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 114 Any notice given in terms these Articles calling for a General Meeting shall state the reason for the meeting and the business to be discussed thereat.

#### **VOTING AT MEETINGS**

- 115 Matters for decision shall be decided by a majority vote of the total votes of the members present.

- 116 Each member present at a General Meeting of the Company shall be entitled to vote, subject to the rights of members set out in these Articles.
- 117 Voting at all meetings shall be by a show of hands unless a poll is demanded by any member entitled to vote, in which case the voting shall be by poll.
- 118 The chairperson of any meeting of the Company shall enjoy a casting vote in addition to his deliberative vote.
- 119 Notwithstanding anything else provided in these Articles, any Special Resolution (including resolutions involving alteration, amendment or addition to these Articles) shall be carried on a show of hands, by the vote of not less than seventy five percent (75%) of the number of members entitled to vote on a show of hands at the meeting who are present in person or, where a poll has been demanded, by not less than seventy five percent (75%) of the total votes to which the members present in person are entitled.
- 120 If a poll is duly demanded it shall be taken in such manner, and at such place and time as the chairperson of the meeting directs and either immediately or after an interval or adjournment (not exceeding seven (7) days) and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 121 Scrutinizers may be elected or appointed to declare the result of the poll, and their decision, which shall be given by the chairperson of the meeting, shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 122 It shall not be competent to demand a poll upon the question of the election of a chairperson of a meeting or of scrutinizers, and any poll duly demanded on any question of adjournment shall be taken at the meeting without adjournment.

#### **GENERAL MATTERS CONCERNING MEETINGS**

- 123 Any minutes of resolutions and proceedings at General Meetings made in one of the minute books of the Company if signed by any person acting as chairperson of the meeting to which it relates, or by any person present thereat and appointed by the Board of Directors to sign the same in his place, or by the chairperson of the next succeeding meeting, shall be receivable as evidence of the facts therein stated.
- 124 Any rule of these Articles which regulates procedure at any Annual General Meeting of the Company may be suspended for the duration of the meeting upon a resolution carried to that effect by not less than three-fourths of the members present at that meeting, provided that the restrictive provisions in these Articles shall not be waived in order to consider any motion to which those provisions apply, unless notice of such motion shall have been given at least

fourteen (14) days before the opening day of the meeting, or unless such waiver is agreed to by unanimous vote of all members present at the meeting.

- 125 None of the terms of these Articles shall be altered, amended, added to or deleted except by resolutions of which at least twenty-one (21) days' notice shall have been given to those entitled to receive such notice and subsequently passed at General Meeting. In addition no such resolution or motion shall be passed unless accepted by at least seventy five percent (75%) of the members present at such meeting.
- 126 At any General Meeting any resolution or motion to alter, amend, add to or delete any term of these Articles shall be considered and disposed of before any other resolutions are taken.
- 127 Matters appearing on the official notice or program of business to be transacted at any Annual General or General Meeting shall be disposed of before any additional matter is discussed.
- 128 The resolutions and decisions which may be arrived at any Special or Annual General Meeting shall be put into effect by the Board of Directors and the Chairperson shall report thereon at the next ensuing Annual General Meeting.

#### **RESOLUTIONS**

- 129 Resolutions submitted by members for consideration at an Annual General Meeting shall be placed on the agenda for that meeting provided that twenty-eight (28) days' notice of such resolution(s) has been given to the Company in writing.
- 130 The Board of Directors shall at their discretion, has the right to submit resolutions for discussion at any General Meeting in accordance with the provisions of these Articles.

#### **INDEMNITY**

- 131 Every member of the Board of Directors, manager and officer of the Company shall be indemnified out of the funds of the Company against all liabilities *bona fide* incurred by him in his capacity as a member of the Directors, Board of Directors, manager, officer, Secretary, whether in defending any proceedings, civil, criminal or otherwise, or in connection with any application under section 248 of the Act in which relief is granted to him by the Court.
- 132 Every member of the Board of Directors, manager or other officer, or employee of the Company shall be indemnified by the Company against all costs, losses and expenses which any such member of the Board of Directors, manager or other officer or employee may incur or become liable to, by reason of any contract entered into or any act or deed done by him in the *bona fide* discharge of his duties. Without prejudice to the generality of the above the

Company shall specifically indemnify every member of the Directors, Board of Directors, manager or other officer or employee of the Company against all losses of whatsoever nature incurred arising out of any *bona fide* act, deed or letter done or written by him jointly or severally in connection with the discharge of his duties, provided that any such act, deed or letter has been done or written in good faith. The indemnification contemplated in Articles 131 and 132 shall exclude the Company's auditors.

- 133 No member of the Board of Directors, manager or other officer or employee of the Company shall be liable for the acts, receipts, neglects or defaults of any other member of the Board of Directors, manager or other officer or employee, or for joining in any receipt or other act for conformity, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the insolvency or wrongful act of any person with whom any monies, securities or effects shall be deposited, or for any loss or damage occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through lack of *bona fides* or breach of duty or breach of trust.

#### **WINDING UP**

- 134 The Company may be placed into voluntary liquidation by resolution of not less than ninety percent (90%) of the members present at a General Meeting specially convened for that purpose.
- 135 Upon its winding-up, de-registration or dissolution the assets of the Company remaining after the satisfaction of all its liabilities shall be given or transferred to some other Company or institution having objects similar to this Company, to be determined by the members of the Company or failing such determination by the Supreme Court of South Africa or any other court that may replace this court and have jurisdiction in Pretoria.

#### **ALTERATION OF MEMORANDUM OF COMPANY**

- 136 The Company may not alter the provisions of its Memorandum of Company with respect to the objects and powers of the Company without prior approval of the members with a two-thirds majority vote, provided that articles VI and VII of the Memorandum of Company, this article and articles 10.1.2 and 135 may not be amended at all.

**PATRON**

- 137 The Board of Directors may from time to time appoint patrons of the Company for periods determined by the Board of Directors.