

**CONSTITUTION OF THE  
RENEWABLE ENERGY CERTIFICATE MARKET PARTICIPANTS' ASSOCIATION  
OF SOUTH AFRICA**

**1. HISTORY AND MANDATE**

- 1.1 This paragraph sets out, for information purposes only, the history of efforts to create a voluntary association for participants in South Africa's renewable energy market and to establish a renewable energy certificate trading scheme.
- 1.2 Renewable energy certificates (RECs) are unique electronic records that reflect the production of renewable energy, thus allowing for verification of such production and a platform for exchange of and trade in various commodities associated with renewable energy production and utilisation. REC activity in South Africa started in 2002 during the Johannesburg-based World Summit on Sustainable Development (WSSD).
- 1.3 In 2005, Tradeable Renewable Certificate South Africa (TRECSA) was set up as a voluntary association of renewable energy market participants by founding trustees and RECS International members GreenX Energy and Amatola Green Power, and zaRECS (initially appointed by SATIB) was created to act as an interim issuing body for the issuing and administration of RECs in South Africa.
- 1.4 A feasibility study issued in 2007 by the DoE established a mandate for the creation of a South African issuing body based on the experience in Europe of the framework of the Association of Issuing Bodies' Basic Commitment, as amended by the EECS Rules.
- 1.5 Accordingly, the Members now wish to establish the Association, which will supersede the role of TRECSA, by signing this Constitution.

## 2. DEFINITIONS

2.1 For purposes of this Constitution:

2.1.1 unless the contrary appears from the context, the words and phrases used in this Constitution shall have the meanings ascribed to them in terms of the Nonprofit Organizations Act, and words and phrases associated with RECs shall have the meanings ascribed to them in terms of the EECS Rules;

2.1.2 “**Accounting Officer**” means the accounting officer appointed by the Members at the Annual General Meeting;

2.1.3 “**Annual General Meeting**” means the annual general meeting of the Association in each year;

2.1.4 “**Bank Account**” means the bank account opened in the name of the Association and through which all financial transactions of the Association are conducted;

2.1.5 “**Board**” means the board of Office Bearers;

2.1.6 “**Bylaws**” means bylaws approved by the Board in terms of clause 26;

2.1.7 “**Budget and Business Plan**” means the budget and business plan prepared by the Board in terms of clause 34;

2.1.8 “**Companies Act**” means the Companies Act 71 of 2008, as amended or replaced from time to time;

2.1.9 “**Constitution**” means the constitution of the Association as set out in this document;

- 2.1.10 “**DoE**” means the Department of Energy of South Africa;
- 2.1.11 “**Electronic Communication**” has the meaning ascribed to it in Section 1 of the Electronic Communications and Transactions Act, 2002;
- 2.1.12 “**EECS Rules**” means the EECS Principles and Rules of Operations of the European Energy Certificate System, as adopted by the Association of Issuing Bodies on 30 September 2009, and its subsidiary documents;
- 2.1.13 “**Initial Term**” means the period commencing on the Signature Date and ending on the date on which the Annual General Meeting in the year which is 5 years after the Signature Date is held;
- 2.1.14 “**Initial Members**” means the initial members of the Association as set out in clause 10.1;
- 2.1.15 “**Members**” shall mean members of the Association who are approved in terms of clause 10.4;
- 2.1.16 “**Nonprofit Organisations Act**” means the Nonprofit Organizations Act, 1997;
- 2.1.17 “**Objectives**” means the objectives of the Association as set out in clause 8;
- 2.1.18 “**Office Bearers**” shall have the meaning ascribed thereto in the Nonprofit Organisations Act;
- 2.1.19 “**Person**” is a person defined in the Income Tax Act, 1962;
- 2.1.20 “**Producer**” means a producer of renewable energy resource-

based energy in South Africa. Producers shall be registered periodically by Association-appointed production registrars in accordance with the South African Domain Protocol and subsidiary documents as amended from time to time. RECs shall be issued in a manner consistent with standards contained in the EECS Rules, subject to ongoing declarations of production to the Central Monitoring Office as appointed by the Issuing Body;

2.1.21 “**Secretary General**” means the secretary general of the Association appointed in terms of this Constitution;

2.1.22 “**Signature Date**” means the last date on which this Constitution is signed by the Initial Members;

2.1.23 “**Special General Meeting**” means a meeting convened in terms of clause 30 and at which a resolution requiring over 51% approval is to be proposed;

2.1.24 “**Subsequent Term**” means a period of 5 years; and

2.1.25 “**Trader**” means a person or entity that acts as an intermediary for the transfer of RECs. As Members, participating traders shall contribute financially to the operation of a Central Registration Database through registry access and volume-based administrative charges as determined by the Association.

### 3. **NAME**

3.1 The Association hereby constituted will be called the Renewable Energy Certificate Market Participants’ Association of South Africa (the “**Association**”).

3.2 The shortened name of the Association will be RECSA.

#### 4. **BODY CORPORATE**

4.1 The Association shall:

4.1.1 exist in its own right, as a body separate from its Members;

4.1.2 continue to exist even when there are changes to the composition of its Members or Office Bearers;

4.1.3 be able to own property and other possessions; and

4.1.4 be able to sue and be sued in its name.

#### 5. **AFFILIATION**

The Association reserves the right to affiliate itself with any international organisation and/or association that supports the Vision, Mission, and Objectives of the Association.

#### 6. **VISION**

The vision of the Association is to provide a reliable and effective Renewable Energy Certificate System (RECS) for South Africa that will support the development of renewable energy generation and utilization of renewable energy in sustainable quantities at affordable prices, in support of South African renewable energy targets and international commitments and obligations.

#### 7. **MISSION**

7.1 The mission of the Association is to:

7.1.1 establish and maintain a RECs Issuing Body (as defined in the EECS Rules) for South Africa that is trustworthy, effective, efficient, reliable and sustainable;

7.1.2 ensure that the EECS Rules are adopted by the South African Government, through the South African National EECS Team, and that a Domain Protocol (as defined in the EECS Rules) developed and approved for the South African Domain is observed within its Domain; and

7.1.3 create continued growth through effective and efficient support programmes.

## 8. **OBJECTIVES**

8.1 The Association's main objectives are:

8.1.1 to establish an Issuing Body that will issue RECs and perform all the functions and activities required under or in connection therewith; and

8.1.2 to ensure that the EECS Rules and relevant Domain Protocol are observed within its Domain in the creation, issuance and redemption of RECs, and to verify their use as evidence of transfer of REC ownership.

8.2 The Association's ancillary objectives are:

8.2.1 to operate and maintain a production, registration and auditing body;

8.2.2 to maintain a Central Registration Database (equivalent to that contemplated in the EECS Rules) with records of ownership and features to attain relevant auditing reports;

8.2.3 to facilitate the importing and exporting of RECs from and to the Domains recognised by the Association;

- 8.2.4 to market the Association locally and internationally in order to facilitate the creation and maintenance of appropriate structures, systems and methods, including training and skills transfer, in order to promote the Association;
- 8.2.5 to approve an auditing body that will verify and audit compliance with the EECS Rules and Domain requirements;
- 8.2.6 to appoint a Central Monitoring Officer or an institution to operate the Central Monitoring Office;
- 8.2.7 to become a member of the Association of Issuing Bodies; and
- 8.2.8 to create opportunities for Members who are interested in investing in development programmes and related efforts in order to create a sustainable future for the Association.

## 9. **HEADQUARTERS**

The administrative office of the Association shall be at:

Van Der Walt & Co.  
359 Pretoria St., 1st Floor, Fern Isle Building  
Randburg 2194  
Johannesburg  
South Africa

## 10. **MEMBERSHIP**

10.1 The Initial Members shall be:

10.1.1 Otto Hager;

- 10.1.2 Volker Münster;
- 10.1.3 Glynn James Morris;
- 10.1.4 Jason Schäffler;
- 10.1.5 Hendrik Nicolaas Petrus Stolz; and
- 10.1.6 Leonard van Wyk.
- 10.2 Any Producer or Trader active within the RECS in the South African Domain or any affiliated Issuing Body that agrees to be bound by the relevant rules and Domain Protocol for the Domain/s in which it is commercially active is eligible to become a Member.
- 10.3 Any person who wishes to become a Member must submit an application (in a form approved by the Board) to the Board. The Board may decline an application for membership without giving any reasons.
- 10.4 Membership shall become effective upon approval by the Board of an application referred to in clause 10.3.
- 10.5 Each member of the present South African National RECS Team will entitled to be an *ex officio* Member.
- 10.6 A person whose membership has been approved in terms of clause 10.4 above shall be entitled to the rights under this Constitution as well as the consequent opportunities and benefits.
- 10.7 A person whose membership has been approved in terms of clause 10.4 above shall be required to comply with the obligations imposed on Members under this Constitution.

## **11. HONOURARY FELLOWS**

11.1 An honorary fellow shall be a person whom the Association wishes to honour by reason of exceptional service rendered to:

11.1.1 the Association and its related activities;

11.1.2 renewable energy development programmes; or

11.1.3 the general development of a viable and sustainable future for the RECS in South Africa.

11.2 Persons so honoured shall enjoy all the privileges and rights of Members of the Association.

## **12. MEMBERSHIP FEES AND FUNDING OF THE ASSOCIATION**

12.1 The Members shall not be required to pay membership fees unless otherwise determined by the Board, in its sole discretion.

12.2 In the event that the Board determines that membership or other fees or contributions are payable, the Board shall determine the amount of the membership or other fee or contribution payable, the manner of payment and the period for which such fees or contributions are payable.

12.3 In the event that a Member fails to pay any fees or contributions determined by the Board in terms of this clause 12, the Board shall determine the consequences thereof, in its discretion.

## **13. CERTIFICATE OF MEMBERSHIP**

A membership certificate signed by the Secretary-General shall be issued to all Members annually. Such certificate shall be proof that such a Member is a Member in good standing.

## 14. RESIGNATION

Any Member may resign from the Association by submitting a written resignation to the Secretary-General, together with any amount due by that Member to the Association up to the date of the Member's resignation, if applicable. The Member's resignation shall take on the date stated in the resignation letter. Any fees or other contributions made by Members shall not be refunded upon resignation of a Member or any other event whatsoever.

## 15. TERMINATION OF MEMBERSHIP

15.1 A Member's membership shall terminate if:

15.1.1 subject to clause 15.2, the Board passes a resolution at a duly constituted Board meeting which resolution is approved by more than 51% (fifty one) percent of the Office Bearers, to remove a Member;

15.1.2 the Member is sequestered, surrenders his or her estate, or being a company, the Member is wound up or placed under judicial management; or

15.1.3 the Member dies or becomes incapacitated such that he/she cannot continue with his/her duties as a Member.

15.2 Before the Board proposes a resolution contemplated in clause 15.1.1 the Member concerned shall be notified by the Secretary-General of the date of the meeting of the Board at which termination of such membership will be considered. Such notice shall be given not less than fourteen (14) days prior to the date of the meeting and shall state the reasons for the proposed termination of membership. The Member whose membership is being considered for termination may attend the meeting and make representations to the Board, either in writing, in person or by means of a

representative. Within 7 (seven) days of the meeting, the Board may, upon such terms, if any, as it may deem appropriate and without any obligation to give reasons, rescind or confirm the removal or expulsion.

- 15.3 A Member whose membership has been terminated shall remain liable for all amounts that may, at the date of termination of membership, be due from him to the Association and shall not be entitled to any refund of any monies already paid nor have any claim against the Association, the other Members or any of the Office Bearers.

**16. INCOME AND PROPERTY**

- 16.1 The Treasurer must keep a record of all assets and liabilities of the Association.

- 16.2 The Association may not distribute its income or property to its Members or Office Bearers except as reasonable compensation for services rendered. Furthermore, and for the avoidance of doubt, the Members and Office Bearers shall have no right in the property or any of the assets of the Association solely by virtue of their being Members or Office Bearers.

- 16.3 Members and Office Bearers may be refunded travelling and other expenses incurred by them in and about the Association's business and the furtherance of the Objectives, all of which expenses shall be approved by the Board.

**17. MANAGEMENT**

The authority and responsibility for managing the affairs of the Association in conformity with this Constitution and Bylaws shall vest with the Board.

**18. ELECTION OF THE BOARD**

- 18.1 The Initial Members shall appoint the initial Office Bearers who shall be

members of the Board for the Initial Term. Thereafter, the Office Bearers shall be appointed by the Members in accordance with the provisions of this Constitution.

- 18.2 The Board shall at all times consist of the following Office Bearers:
- 18.2.1 the Chairperson;
  - 18.2.2 the Vice-chairperson;
  - 18.2.3 the Treasurer;
  - 18.2.4 the Secretary-General; and
  - 18.2.5 five (5) additional members.
- 18.3 The appointment of the Chairperson shall be subject to the approval by the executive committee
- 18.4 Not less than thirty five (35) days prior to the Annual General Meeting held in the year in which the Initial Term and any Subsequent Term ends, the Secretary General send a notice in writing to Members calling for nominations for candidates to serve on the Board for the Subsequent Term commencing on the expiry of the Initial Period and each Subsequent Term thereafter.
- 18.5 The Members shall have fourteen (14) days from the date of receipt of the notice in clause 18.4 to deliver their nominations to the Secretary-General (“**Closing Date**”). Based on submissions by Members, a shortlist of no more than 20 names will be drawn up from which the eventual Board will be elected (“**Shortlist**”).
- 18.6 Within seven (7) days after the Closing Date, the Secretary-General shall send the Shortlist (with names in alphabetical order) to all Members.

- 18.7 Voting on the election of Office Bearers shall be means of a secret ballot and shall be sent to the Secretary-General by way of Electronic Communication within 7 days after the Secretary-General sends the Shortlist to all Members. The Secretary-General will announce the results of the vote at the Annual General Meeting.
- 18.8 Within 60 (sixty) days of an Office Bearer ceasing to hold office for any reason, the remaining Office Bearers may, by unanimous consent, appoint any Member in good standing to fill the vacancy. Any appointment in terms of this clause 18.8 will only be valid until the next Annual General Meeting. At the next Annual General Meeting, the Members will either confirm the appointment in terms of this clause 18.8 or shall elect another Office Bearer to fill the vacancy and such Office Bearer's term of office shall expire when the term of the office of the Office Bearer that he/she replaces expires.
- 18.9 An Office Bearer shall cease to be an Office Bearer on the happening of any of the following events -
- 18.9.1 if his estate is finally sequestrated, or any other analogous proceedings occurs;
- 18.9.2 if he files a petition for the surrender of his estate as insolvent, or any other analogous proceedings occurs;
- 18.9.3 if he dies or is placed under curatorship by any court of competent jurisdiction;
- 18.9.4 if he delivers a notice of his resignation to the Secretary General with effect from the date on which that notice is delivered or any later date stated in that notice to which the Office Bearers agree;
- 18.9.5 if he is removed by resolution passed by a majority of the Board;

and

18.9.6 in the circumstances set out in clause 20.5.

18.10 The Board shall furnish its reasons for removing an Office Bearer in terms of clause 18.9.5 and 18.9.6 to that Office Bearer in writing, and that Office Bearer shall have the right, exercisable by notice in writing to the Secretary-General within 7 (seven) days of receipt of those reasons, to be heard by the Board within a period of 28 (twenty eight) days of receipt by the Secretary-General of such notice. Within 7 (seven) days of being heard, the Board may, upon such terms, if any, as it may deem appropriate and without any obligation to give reasons, rescind or confirm that Office Bearer's removal.

## 19. **POWERS AND DUTIES OF THE BOARD**

19.1 The Board shall devote itself to attaining the Objectives.

19.2 The Board shall, subject to the decisions of the Members at general meetings and to the provisions of the Constitution and Bylaws, have the power to:

19.2.1 perform all those activities which are necessary to attain the Objectives;

19.2.2 establish the necessary structures and institutions to achieve the Objectives;

19.2.3 outsource any of its functions or services and, for that purpose, invite tenders and enter into any agreements required under or in connection therewith;

19.2.4 engage third-party service providers to render services to the Association and to pay reasonable compensation to such service

providers for their services;

19.2.5 propose and recommend amendments to the Constitution for approval at Annual General Meetings;

19.2.6 appoint from time to time such sub-committees as it may deem fit for the purpose of investigating and reporting on any matter which the Board may refer to such sub-committees;

19.2.7 appoint a standing Executive Committee for the purpose of the day-to-day management of the Association;

19.2.8 investigate and report on any matter referred to the Board or requiring immediate attention in the interval between Board meetings; and

19.2.9 revise, revoke and amend any of the rights, powers and duties conferred on the Executive Committee.

19.3 The Board may employ and remunerate employees as may be required for conducting the business of the Association. Such employees will have no voting rights. In the event of outsourcing of treasury functions by the Treasurer, payments to the organisation undertaking such function must first be approved by the Board and a record of such approval kept.

## 20. **BOARD MEETINGS**

20.1 The Office Bearers may meet, adjourn and otherwise regulate the holding of and the proceedings at their meetings as they deem fit and they may determine what notice is to be given of their meetings and the means of giving that notice. The Office Bearers shall meet at least twice in each calendar year.

20.2 Any Office Bearer shall at all times be entitled to convene a meeting of

the Board by giving fourteen (14) days' written notice to all the other Office Bearers, or such shorter notice as may be agreed to by all the Office Bearers.

20.3 The quorum necessary for the transaction of any business of the Board shall be a majority of Office Bearers. No business shall be transacted at a meeting of Office Bearers unless such a quorum is present at the commencement of and throughout the meeting. If, within half an hour after the time appointed for such meeting, a quorum is not present, the meeting shall stand adjourned to a date not earlier than 2 (two) days and not later than 7 (seven) days after the date of the originally-convened meeting, and if at such adjourned meeting, a quorum is not present within half an hour after the time appointed for the meeting, the Office Bearers present in person or by proxy shall be a quorum for that adjourned meeting.

20.4 Any question arising at a meeting of the Board shall be decided by a majority of the votes cast on it. Each Office Bearer shall be entitled to exercise one vote in relation to each matter to be decided. In the event of an equality of votes, the Chairperson of the meeting shall have a second or casting vote.

20.5 If a member of the Board does not attend 3 (three) consecutive Board meetings, without having applied for and obtaining leave of absence from those meetings, his term of office will automatically terminate and he shall have no claim against the Association.

20.6 The Board may conduct meetings by way of Electronic Communication, provided that the participants at such meetings are able to communicate effectively with each other and at the same time. The Board may circulate information regarding the approval of reports and decisions of the Board by using electronic communication.

21. **EXECUTIVE COMMITTEE**

21.1 The Board may appoint an Executive Committee for the purpose of the day-to-day management of the Association.

21.2 The Executive Committee appointed by the Board in terms of clause 19.2.7 shall comprise the following members of the Board:

21.2.1 the Chairperson;

21.2.2 the Vice-Chairperson;

21.2.3 the Secretary-General;

21.2.4 the Treasurer; and

21.2.5 one (1) other Board member.

21.3 The Board may delegate (either collaterally with or to the exclusion of their own powers) to any member of the Executive Committee any of its powers on the terms and conditions and subject to the restrictions which they deem fit and may from time to time vary or cancel any such delegation of powers. The powers delegated to the Executive Committee may include the power to including acquire property and assets and the entering into of agreements in order to attain the Objectives.

21.4 The Board, where appropriate, may delegate its powers and functions to other persons who are not Office Bearers.

21.5 The provisions of clause 20 shall apply, *mutatis mutandis*, to meetings of the Executive Committee, save that the Executive Committee will be required to meet at least once a month.

**22. BOARD ROUND ROBIN RESOLUTIONS**

22.1 A resolution in writing signed by all the Office Bearers who are not less than a quorum for a meeting of the Board, which resolution having been inserted in the record book referred to in 33, shall be as valid and effective as if it had been passed at a meeting of the Board.

22.2 The resolution referred to in 22.1 may consist of one or more documents in the same form, each of which is signed by one or more of the Office Bearers concerned in terms of 22.1.

**23. RECORDS OF BOARD RESOLUTIONS**

The Secretary-General shall cause a record to be made of the proceedings at every Board meeting, including all resolutions passed at such meetings, and shall cause such record and all resolutions passed pursuant to the terms of 22 to be inserted in a book provided for that purpose. A resolution in writing signed or approved by letter, fax or scanned copy of a document which is sent by Electronic Communication, shall be deemed valid and effective as if it had been passed at a meeting of the Board.

**24. SECRETARY GENERAL**

The Secretary-General shall perform such administrative duties as the Board shall direct from time to time, and shall attend in person, or by tasking any other Office Bearer to attend in his place, all meetings of the Association including the Board and Executive Committee meetings, and take the minutes of the proceedings in accordance with provisions of clause 23. Such minutes shall be kept and presented for confirmation at the next meeting of either the Board or Executive Committee, whatever the case may be.

**25. TREASURER**

25.1 The Treasurer shall perform all of the duties that the Board may direct

him to perform from time to time, have custody of the Association's funds, keep full and accurate accounts of receipts and expenditure as required by clause 35 and shall deposit all monies and valuable effects in the name and to the credit of the Bank Account.

25.2 The Treasurer shall disburse the funds of the Association as may be ordered by the Board and shall render to the Board at its meetings and at the Annual General Meeting an account of all transactions and of the financial position of the Association.

26. **BYLAWS**

26.1 The Board may by resolution at a duly constituted Board meeting make Bylaws consistent with the Constitution for the conduct of the business and affairs of the Association. A two-thirds majority of the Office Bearers present at the meeting must vote in favour of a resolution approving a Bylaw in order for it to be valid and enforceable.

26.2 The Board may amend such Bylaws provided due notice shall be given of the Board meeting at which the resolution to amend the Bylaws is to be considered, and two-thirds of the members of the Board present at the meeting vote in favour of the resolution.

27. **CONFLICT**

In the event of a conflict between any of the Bylaws and the provisions of this Constitution, the provisions of this Constitution shall prevail.

28. **PERSONAL LIABILITY**

Each Member and Office Bearer shall be accountable only in respect of his/her own acts (and not those of any other Member or Office Bearer). A Member and/or Office Bearer shall not be accountable or personally liable for any loss suffered by any person as a result of an act/omission which occurs in good faith

while that Member or Office Bearer is performing functions on behalf of the Association.

**29. MEETINGS OF THE ASSOCIATION (including general, annual and special)**

29.1 Not less than 21 (twenty-one) clear days' notice in writing of an Annual General Meeting or of a Special General Meeting shall be given to all the Members.

29.2 Not less than 14 (fourteen) clear days' notice in writing of any other general meeting shall be given to all Members.

29.3 The notice of a meeting (including an Annual General Meeting and Special General Meeting) shall state –

29.3.1 the place, day and hour of that meeting (all of which shall be determined by the Board); and

29.3.2 the matters which will be considered at such meeting.

29.4 Annual General Meetings shall be held not later than 31 July of each year.

29.5 In addition to requirements of clause 29.3, the notice of the Annual General Meeting shall include consideration of:

29.5.1 fully and duly audited financial statement of the accounts of the Association for the previous financial year which shall be presented by the Treasurer;

29.5.2 the Budget and the Business Plan, as well as a report on the activities of the Association during the past year which shall be presented by the Chairman;

- 29.5.3 any proposed changes to the Constitution; and
- 29.5.4 the appointment of, or ratification of the appointment, of an Accounting Officer.
- 29.6 The Board shall convene at least two (2) ordinary general meetings of the Association during the year. These meetings may be replaced by symposia, seminars, talks, or exhibitions. No matters of policy shall be decided at such meetings.
- 29.7 Every Member present at the meeting who is a Member in good standing to the Association and who is present in person or by proxy shall be entitled to exercise one vote on each matter to be decided. Each resolution proposed at a General Meeting shall be determined by poll. The Chairperson of the meeting shall also exercise a further casting vote if necessary. At all meetings, except as herein otherwise provided, a majority of votes will decide a resolution.
- 29.8 At any meeting, a resolution put to the vote of the Members shall be decided by a majority of votes.
- 29.9 No business shall be transacted at any meeting unless a quorum is present at the time when the meeting proceeds to do business and throughout the meeting.
- 29.10 A quorum shall be constituted if at least a majority of the Members entitled to vote are present in person at the commencement of the meeting and throughout the meeting.
- 29.11 If, within half an hour after the time appointed for such meeting, a quorum is not present, the meeting shall stand adjourned to a date not earlier than 7 (seven) days and not later than 21 (twenty-one) days after the date of the originally convened meeting, and if, at such adjourned meeting, a quorum is not present within half an hour after the time appointed for the

meeting, the Members present in person or by proxy at such adjourned meeting who represent at least a majority of Members shall be a quorum for that adjourned meeting.

29.12 The Chairperson of the Board shall be the Chairperson of a meeting.

29.13 If there is no Chairperson of the Board or if, at a meeting, the Chairperson of the Board is not willing to act or is not present within 10 (ten) minutes after the time appointed for the holding of that meeting, then Members present at it shall choose a person who is present to be the Chairperson of that meeting.

29.14 The Chairperson, with the consent of the meeting, may adjourn it from time to time and from place to place.

29.15 No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting at which that adjournment took place.

### 30. **SPECIAL GENERAL MEETINGS**

30.1 A Special General Meeting may be convened by the Board at any time by notice sent to the Members as contemplated in clause 29.1.

30.2 The Board shall convene a Special General Meeting within sixty (60) days of receiving a written request signed by at least 20% (twenty percent) of the Members, provided that the business for which the meeting is to be called is specified in the request. A quorum at such a Special General Meeting shall be a majority of the Members present in person or by proxy.

30.3 Only the business specified in the notice convening such a meeting shall be transacted at the meeting.

31. **PROXIES**

31.1 A proxy need not be a Member.

31.2 A Member may appoint more than one proxy.

31.3 The holder of a power of attorney given by a Member which authorises that holder to do so, may be a proxy in terms of that power of attorney and attend and vote for that Member at a meeting or may, if that power of attorney authorises him to do so, appoint a proxy to attend and vote for that Member at a meeting.

31.4 Subject to Article 31.3, the form appointing a proxy shall be in writing and in the case of –

31.4.1 grant thereof by an individual, shall be signed by that individual or his legal representative;

31.4.2 grant thereof by a company or a body corporate, shall be signed in the manner which is binding on it in terms of its articles of association or constitution, as the case may be.

31.5 Any power of attorney, or any form appointing a proxy (including forms appointing a proxy which is sent by electronic communication) and the power of attorney or other authority (if any) under which that form of proxy is signed (or a notarially certified copy of that power of attorney or other authority), shall be deposited at, or received by the Secretary-General not less than 15 (fifteen) minutes before the time appointed for the holding of the meeting or adjourned meeting at which the person named in that power of attorney or proxy proposes to vote.

31.6 Any form appointing a proxy:

31.6.1 need not be witnessed;

31.6.2 shall be so worded as to enable the holder of that proxy to vote either for or against the resolutions to be proposed at the meeting at which it is to be used, or to abstain from voting in respect of any particular resolution; and

31.6.3 sent by e-mail/fax/electronic communication shall constitute an instrument of proxy for the purposes of this Constitution.

31.7 Unless the contrary is stated thereon, the form appointing a proxy shall be valid for each adjournment of the meeting to which it relates.

31.8 The proxy shall be, as nearly as circumstances will permit, in the form set out below or in any other form approved by the Board: -

".....  
("the Association")  
I/We \_\_\_\_\_  
\_\_\_\_\_  
of \_\_\_\_\_  
\_\_\_\_\_  
being a Member of the Association, appoint \_\_\_\_\_  
\_\_\_\_\_  
or \_\_\_\_\_ or \_\_\_\_\_ and  
failing him the chairman of the meeting as my/our proxy to vote for  
me/us and on my/our behalf on a poll at a General Meeting of the  
Association to be held at \_\_\_\_\_ on  
\_\_\_\_\_ 20\_\_\_\_, and at each adjournment thereof,  
as follows:

either -

1. by my/our proxy casting his vote in accordance with my/our intention as indicated by an X marked in columns (A), (B) or (C) below, opposite the relevant resolution number:

	(A)	(B)	(C)
	In Favour	Against	Abstain from Voting
Resolution No. ....			
Resolution No. ....			31.8.1
Resolution No. ....			

or -

2. if columns (A), (B) and (C) are not marked with an X to indicate my/our intention regarding the voting on a particular resolution, then my/our proxy may vote or abstain from voting with regard to such resolution as my/our proxy deems fit.

SIGNED this \_\_\_\_\_ 20\_\_\_\_\_.

(Signature) \_\_\_\_\_

**32. MEMBERS' ROUND ROBIN RESOLUTIONS**

32.1 A resolution in writing signed by all the Members who are not less than a quorum for a meeting of the Members, which resolution having been inserted in the record book referred to in 33, shall be as valid and effective as if it had been passed at a meeting of the Members.

32.2 The resolution referred to in 33 may consist of one or more documents in

the same form, each of which is signed by one or more of the Members concerned in terms of 22.1.

### **33. RECORDS OF MEMBER RESOLUTIONS**

The Secretary General shall cause a record to be made of the proceedings at every meeting of the Members, including all resolutions passed at such meetings, and shall cause such record and all resolutions passed pursuant to the terms of 32 to be inserted in a book provided for that purpose. A resolution in writing signed or approved by letter, fax or scanned copy of a document which is sent by Electronic Communication shall be deemed valid and effective as if it had been passed at a meeting of the Members.

### **34. BUDGET AND BUSINESS PLAN**

34.1 Prior to 1 April of each year, the Board shall prepare in such format as the Board may reasonably require from time to time, an operating budget and a business plan for the following year. The business plan should set out the activities that the Association proposes to carry on in that year, and both the business plan and the budget shall set out such further information as the Members may from time to time reasonably require as to any and all matters relating to the Association.

34.2 The Budget shall be approved by the Members at the Annual General Meeting.

34.3 The funds of the Association must, as far as reasonably possible, be utilised as stipulated by in the Budget and the funds of the Association may only be used in the process of advancing the Objectives and for the benefit its development and growth.

### **35. FINANCES**

35.1 The financial year of the Association shall commence on 1 April and end

on 31 March of each year.

- 35.2 As required by the Nonprofit Organisation Act, the Association shall keep accounting records of its income, expenditure, assets and liabilities and shall, within 6 (six) months after the end of its financial year, draw up financial statements, which must include at least:
- 35.2.1 a statement of income and expenditure for that financial year; and
  - 35.2.2 a balance sheet showing its assets, liabilities and financial position as at the end of that financial year.
- 35.3 In addition, within 2 (two) months after drawing up its financial statements, the Association must arrange for a written report to be compiled by the Accounting Officer stating whether or not:
- 35.3.1 the financial statements of the Association are consistent with its accounting records;
  - 35.3.2 the accounting policies of the Association are appropriate and have been appropriately applied in the preparation of the financial statements; and
  - 35.3.3 the Association has complied with the provisions of the Nonprofit Organisation Act and of this Constitution which relate to financial matters.
- 35.4 The Treasurer shall arrange for all funds of the Association to be put into a Bank Account, and all financial transactions of the Association must be conducted by means of the Bank Account. Whenever funds are to be taken out of the Association's Bank Account, the Chairperson and the Treasurer must both sign the withdrawal or cheque.

**36. AMENDMENTS TO THE CONSTITUTION**

36.1 Proposals to amend the Constitution must be submitted to the Board in writing by not less than three (3) Members. Any such proposals shall be considered at an Annual General Meeting, or at a Special General Meeting called for that specific purpose.

36.2 Such proposals, either in the original or in an amended form, require a two-thirds majority of Members present at the meeting for acceptance.

**37. INTERPRETATION OF CONSTITUTION AND BYLAWS**

In case of any doubt as to the meaning and intent of any portion of this Constitution and Bylaws, an interpretation should be given by the Board.

**38. DISSOLUTION OF THE ASSOCIATION**

38.1 The Association may be dissolved at a duly convened Special General Meeting if at least two-thirds of the Members voting at a Special General Meeting vote in favour of such dissolution.

38.2 If a resolution for dissolution of the Association is duly passed, any assets remaining after all liabilities have been met shall be transferred to another association which complies with the provisions of the Nonprofit Organisation Act and which has similar objectives to the Association.

**39. COUNTERPARTS**

This Constitution may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument.

40. **ADOPTION OF THE CONSTITUTION**

The Constitution was approved and accepted by the Initial Members as indicated by their signatures below.

\_\_\_\_\_  
Initial Member

\_\_\_\_\_  
Date

\_\_\_\_\_  
Initial Member

\_\_\_\_\_  
Date