

PIETERMARITZBURG CHAMBER OF BUSINESS
(ASSOCIATION INCORPORATED UNDER SECTION 21)

REGISTERED AS A COMPANY NOT HAVING SHARE CAPITAL
(SECTION 60 (1); REGULATION 18)

REGISTRATION NUMBER
2002/026810/08

ARTICLES OF ASSOCIATION
(As amended on 30 September 2004)

A.

The Articles of Table A in Schedule 1 to the Companies Act 1973, shall not apply to the company.

B.

The Articles of the Company are as follows:

1. INTERPRETATION

In these Articles, unless the context otherwise requires:

- 1.1 “the Companies Act” means Act No. 61 of 1973, as amended or any Act which replaces it;
- 1.2 “the Association” means PIETERMARITZBURG CHAMBER OF BUSINESS (Association incorporated under Section 21);
- 1.3 “the Statutes” means the Companies Act and any and every other statute or ordinance from time to time in force concerning companies and necessarily affecting the Association;
- 1.4 “Management Board” means the Board of Directors of the Association;
- 1.5 “member” means a member of the Association (whether corporate, individual, associate or honorary) admitted as such at a duly constituted meeting of the Management Board;
- 1.6 expressions defined in the Companies Act, or any statutory modifications thereof, in force at the date on which these Articles become binding on the Association, shall have the meaning so defined;
- 1.7 words importing the singular shall include the plural and vice versa, words importing the masculine gender shall include females and words importing persons shall include bodies corporate;
- 1.8 reference to members represented by proxy shall include members represented by an agent appointed under a general or special power of attorney and references to members present or acting in person shall include corporations represented or acting in the manner prescribed in the Statutes.

2. APPLICATIONS OF THE COMPANIES ACT

Unless qualified by these Articles, the provisions of the Companies Act shall apply to the Association, without in any way restricting the application of the relevant provisions of the Companies Act.

3. MEMBERSHIP

3.1

- 3.1.1 CORPORATE MEMBERS Any corporation, undertaking (whether public or private), partnership or firm, shall be eligible to apply for corporate membership of the Association.

- 3.1.2 **INDIVIDUAL MEMBERS** Any individual shall be eligible to apply for individual membership of the Association.
- 3.1.3 **ASSOCIATE MEMBERS** Any institution, body or individual technically or otherwise interested in and/or which can benefit from or make direct or indirect contributions towards the attainment of the Association's objects shall be eligible to apply for associate membership of the Association.
- 3.1.4 **HONORARY MEMBERS** Any individual may at the discretion of the Management Board be granted Honorary Membership of the Association.

3.2 Applicants for membership of the Association (whether corporate, individual, associate, or honorary) shall be admitted by a two-thirds majority vote at a duly constituted meeting of the Management Board.

4. MANAGEMENT BOARD AND ITS PROCEEDINGS

- 4.1 The Management Board shall be responsible for the management of the Association.
- 4.2 There shall be a Management Board consisting of at least 7 (SEVEN) persons appointed from amongst the members. An alternate may be appointed for each member of the Management Board.
- 4.3 The Management Board may in its discretion co-opt not more than 7 (SEVEN) persons to the Board from the members and the directors and executives and members. The Management Board may further fill any casual vacancy occurring in its members.
- 4.4 Until members are elected to the Management Board, every subscriber to the Memorandum of Association shall be deemed to be a member of the Management Board.
- 4.5 Subject to the provisions of the Companies Act, members of the Management Board shall hold office until the close of business at the next annual general meeting of the Association.
- 4.6 The Management Board shall elect a Chairman of their meetings and determine the period for which he is to hold office. If at any meeting the Chairman is not present, the members of the Management Board then present shall elect one of their number to be the Chairman of the meeting.
- 4.7 At any meeting of the Management Board, 3 (THREE) members present shall form a quorum.
- 4.8 A majority of members of the Management Board present at any duly constituted meeting shall determine any issue voted on. The Chairman presiding at any meeting of the Management Board shall have a casting vote.
- 4.9 In the absence of directors, the Chairman is responsible for the general management and administration of the affairs and business of the Association.

5. MEETINGS OF MEMBERS

- 5.1 There shall be an Annual General Meeting of the Association, the venue of which shall be determined by the Management Board, and such meeting shall be held between the months of March and August in each year. The association shall hold its first Annual General Meeting within 18 (eighteen) months after the date of its incorporation.
- 5.2 There shall be presented at the Annual General Meeting the audited annual financial statements for the preceding financial year.
- 5.3 At the Annual General Meeting, the Management Board shall be elected, and such other business transacted as the members may determine.
- 5.4 Other general meetings of the Association may be held at any time.

6. QUORUM, VOTES AND PROCEEDINGS AT MEETINGS OF MEMBERS

- 6.1 Twenty five of the members or the representatives of corporate members present in person at a meeting of members shall form a quorum. If, within half an hour after the time appointed for a meeting, a quorum is not present, the meeting shall stand adjourned to another day determined by the Management Board, provided that the chosen day is within two weeks of the date of the adjourned meeting. If at such an adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting, the members present shall constitute a quorum.
- 6.2 At all meetings the Chairman of the Management Board shall preside. In the absence of the Chairman, the Chairman nominated by the meeting shall preside.
- 6.3 A majority of all the members or the representatives of members present at any duly constituted meeting shall determine any issue voted upon. Votes shall be recorded either by a show of hands or by ballot, as may be determined by the meeting. All corporate and individual members shall have voting rights. The Chairman presiding at any meeting of members shall have a casting vote.

7. PROXIES

- 7.1 On a poll, votes may be given personally or by proxy.
- 7.2 The instrument appointing a Proxy, may be in the usual or common form.
- 7.3 The instrument appointing a Proxy shall be in writing under the hand of the appointer or of his agent duly authorized in writing, or, the appointer if a body corporate, under the hand of an officer or agent authorized by the body corporate. A Proxy need not be a member of the Association.
- 7.4 The instrument appointing the Proxy to vote at a meeting of the Association, shall be deemed also to confer authority to demand or join in demanding a poll.
- 7.5 The instrument appointing a Proxy and the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority shall be deposited at the registered office of the Association not less than forty-eight hours (or within such lesser period as the Management Board may accept) before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default of complying herewith the instrument of Proxy shall not be treated as valid. No instrument appointing a Proxy shall be valid after the expiration of six months from the date when it was signed, unless so specifically stated in the Proxy itself, and no proxy shall be used at an adjourned meeting which could not have been used at the original meeting.

8. TRUSTEES

- 8.1 The Management Board may appoint Honorary Trustees of the Association on such terms and conditions as may from time to time be determined by the Management Board.
- 8.2 The Trustees shall meet annually at such time and venue as shall be determined by the Management Board in order to transact the following business:
- 8.2.1 to receive the Minutes of the last Annual General Meeting of the Association;
 - 8.2.2 to receive and consider a report from the Chairman of the Management Board;
 - 8.2.3 to consider and adopt the accounts of the Association for the past year;
 - 8.2.4 to consider and if seen fit, to approve the activities of the Association for the ensuing year;
 - 8.2.5 to consider and transact any special business of which due notice has been given;
 - 8.2.6 to generally represent the interests of the Association and promote its objects.

9. NOTICE OF MEETINGS

The Secretary shall give not less than 21 (TWENTY ONE) clear day's notice, accompanied by an agenda, of any general meeting of the members and not less than 1 (ONE) week's notice, accompanied by an agenda, of any meeting of the Management Board, provided that the Chairman acting in his stead may convene special meetings of the Management Board at shorter notice.

10. FINANCIAL YEAR END

The financial year of the Association will close on the 31st day of December in each year. An audited statement of accounts for the past year shall be presented by the Management Board to the Annual General Meeting of the Association.

11. RESOLUTIONS OF THE MANAGEMENT BOARD

Subject to Section 126 of the Act, a resolution in writing signed by all the members of the Management Board for the time being shall be as valid and effectual as if it had been passed at a meeting of the Management Board duly convened and held and may consist of several documents in the like form, each signed by one or more of the said members. For the purpose of this Article:

- 11.1 the signature of an alternate shall suffice in lieu of the signature of the member of the Management Board appointing him;
- 11.2 unless otherwise stated in the resolution, it shall be deemed to have been passed on the date upon which it was signed by the last signatory;
- 11.3 a resolution shall be deemed to have been signed if consent thereto has been given in a message transmitted by e mail or facsimile and purporting to emanate from the person whose signature to such resolution is required. Such resolution shall be noted at the next following meeting.

12. SUBSCRIPTIONS

An annual amount as may be determined from time to time by the Management Board shall be payable on the first day of January of each year by every member.

13. EXPULSION OF MEMBERS

The Management Board may at any meeting remove from the membership roll of the Association any member who is guilty of misconduct. Such members shall be deemed to have been expelled and shall have no recourse in law against the Association for any damages which he may hold himself to have suffered.

14. EMPLOYMENT OF STAFF AND INCURRING LIABILITIES

The Management Board shall be empowered to engage and remunerate such staff as in its opinion may from time to time be desirable, may delegate authority to the said staff and any one of more of the members of the Management Board; and may incur liabilities on behalf of the Association.

15. BANKING ACCOUNTS AND CHEQUES

To ensure the smooth and efficient movement of its financial transactions, the Association shall operate:

- 15.1 A Main Bank Account – the signatories being determined by the Management Board from time to time, provided that the Chairperson of the Management Board and the Treasurer of the Association shall be two of the signatories.

- 15.2 Subsidiary Accounts – the signatories being determined by the Management Board from time to time.

All new accounts must be sanctioned either by the Management Board or the Chairman.

16. RESIGNATIONS

Members shall give notice of their intention to resign from the Association prior to the 31 December of any year. If such notice is given after this date, the members concerned shall be liable for the subscription which falls due on 1 January of the following year. Upon resignation, a member shall not be entitled to any refund of any subscription paid or payable.

17. INDEMNITY

- 17.1 No representative on the Management Board or officer of the Association, Director, official or servant of the Association shall be personally liable for any loss or damage whatsoever which may happen in the execution of the duties of his office, unless the same shall happen through his own willful act or default, and every such person shall be indemnified out of the funds of the Association for any costs, damages, losses or expenses, which he may incur or become liable for by reason of any act or deed done by him or his authority or any judgment or discretion exercised in good faith in the discharge of his duties.

- 17.2 No representative on the Management Board or other officer of the Association, Director, official or servant of the Association shall be liable for the acts, receipts, neglects or defaults of any other representative or officer or for joining in any receipt for conformity or for any loss or damage arising from the bankruptcy, insolvency or fortuitous act of any person with whom monies, securities or effects shall be deposited, unless the same happen through his own negligence, default, breach of duty or breach of trust;

17.3.1 for any loss or expense happening to the Association through the insufficiency or deficiency of title to any property acquired by order of the Management Board for or on behalf of the Association or through the insufficiency or deficiency of any security in or upon which any of the monies of the Association shall be entrusted;

17.3.2 for any loss or damage occasioned by an error of judgment or oversight on his part; or

17.3.3 for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto.

18. TERMINATION

The members may by special resolution determine that the Association may be terminated.

19. CANCELLATION OF OBJECTS AND POWERS

The Association may by special resolution alter the provisions of its Memorandum of Association with respect to the objects and powers of the Association.