

Companies and Intellectual Property Commission

Republic of South Africa

MEMORANDUM OF INCORPORATION OF

SOUTHERN AFRICA TOURISM SERVICES ASSOCIATION NPC

(SATSA)

REGISTRATION NUMBER 2003/006523/08

which is a non-profit company, and is referred to in the rest of this MOI as "SATSA".

ADOPTION OF MOI

This MOI was adopted by a resolution of Directors in accordance with section 16 (1) (c) (i) (aa) of the Act as contemplated in section 16(3).

Neither the short (Form CoR.15.1.D) nor the long (Form CoR15.1.E) standard form of MOI for a Non-Profit Company shall apply to SATSA.

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PART ONE : INTRODUCTION**1 INTERPRETATION**

In this MOI:

- 1.1 a reference to a section by number refers to the corresponding section of the Act;
- 1.2 a reference to a Part by number refers to the corresponding Part in this MOI;
- 1.3 words that are defined in the Act bear the same meaning in this MOI as in that Act;
- 1.4 the headings to the clauses of this MOI are for reference purposes only and shall in no way govern nor affect the interpretation of nor modify nor amplify the terms of this MOI nor any clause hereof;
- 1.5 unless the context indicates a contrary intention an expression which denotes any gender includes the other genders; a natural person includes a juristic person and vice versa and the singular includes the plural and vice versa;
- 1.6 references to any enactment shall be deemed to include references to such enactment as re-enacted, amended or extended from time to time;
- 1.7 when any number of days is prescribed in this MOI, same shall be reckoned inclusively of the first and of the last day. All references in this MOI to "days" shall be deemed to be to consecutive days, unless specifically stipulated as being "Business Days";
- 1.8 the words "include", "includes", and "including" means "include without limitation", "includes without limitation", and "including without limitation". The use of the word "including" followed by specific examples shall not be construed as limiting the meaning of the general wording preceding it;
- 1.9 terms other than those defined within the MOI or the Act will be given their plain English meaning, and those terms, acronyms, and phrases known in general commercial or industry-specific practice, will be interpreted in accordance with their generally accepted meanings;
- 1.10 any schedules attached to this MOI form an integral of and are part of this MOI and words and expressions defined in this MOI shall bear, unless the context otherwise requires, the same meaning in such schedules;
- 1.11 in any instance where there is a conflict between a provision (be it expressed, implied or tacit) of this MOI and:
 - 1.11.1 a provision of any rules, the provision of this MOI shall prevail to the extent of the conflict;
 - 1.11.2 an alterable or elective provision of the Act, the provision of this MOI shall prevail to the extent of the conflict; and

- 1.11.3 an unalterable or non-elective provision of the Act, the unalterable or non-elective provision of the Act shall prevail to the extent of the conflict;
- 1.12 the rule of construction that a contract shall be interpreted against the party responsible for the drafting or preparation of the contract, shall not apply to this MOI;
- 1.13 where a limit is placed on the period of any term of office in this MOI, such period shall only be calculated with reference to the period after the date of adoption of this MOI stipulated on the cover sheet;
- 1.14 any reference to a notice shall be construed as a reference to a written notice, and shall include a notice which is transmitted electronically in a manner and form such that the notice can conveniently be printed by the recipient within a reasonable time and at a reasonable cost; and
- 1.15 references to "this MOI" or any agreement, document, policy, procedure or terms of reference shall be construed as a reference to this MOI or, as the case may be, such other board approved agreement, document, policy, procedure or terms of reference as amended, varied, novated or supplemented from time to time.

2 DEFINITIONS

- 2.1 **Words and expressions used.** Unless inconsistent with the context, the words and expressions set forth below shall bear the following meanings and cognate expressions shall bear corresponding meanings:
- 2.1.1 "**Act**" means the Companies Act, 2008, as amended, together with any regulations published in terms thereof;
- 2.1.2 "**AGM**" means the annual general meeting of SATSA or per Schedule 2, a AGM of the Chapter;
- 2.1.3 "**Appeal Committee**" means the appeal and dispute resolution committee established in accordance with the provisions of **Schedule 3 (Organisational Structure)**;
- 2.1.4 "**Board**" means the Board of Directors of SATSA from time to time;
- 2.1.5 "**Business Day**" means any day which is not a Saturday, Sunday or public holiday in the Republic of South Africa;
- 2.1.6 "**CEO**" means the Chief Executive Officer of SATSA appointed in accordance with the provisions of this MOI from time to time;
- 2.1.7 "**Chapter**" means a Chapter of SATSA established by the Board in terms of clause 15 and which is required to comply with the provisions of **Schedule 2 (Chapter Guidelines)**;
- 2.1.8 "**Commission**" means the Companies and Intellectual Property Commission established by section 185;

- 2.1.9 "COO" means the Chief Operating Officer of SATSA appointed by the CEO from time to time;
- 2.1.10 "Director" means a Member of the Board and the alternate Directors thereof;
- 2.1.11 "Industry" means the tourism industry in Southern Africa focussed primarily on inbound and intra-county and intra-regional tourism, but excluding tourism outbound from the region;
- 2.1.12 "IFRS" means the International Financial Reporting Standards, as adopted from time to time by the Board of the International Accounting Standards Committee, or its successor body, and approved for use in the Republic of South Africa from time to time by the Financial Reporting Standards Council established in terms of section 203;
- 2.1.13 "Management Committee" means the management committee constituted on the basis set out in **Schedule 3 (Organisational Structure)**, having the powers and functions contemplated therein;
- 2.1.14 "Member" means a Member of SATSA from time to time, the qualifications for which and terms applicable to which are set out in clause 8.1 and **Schedule 1 (Membership)**;
- 2.1.15 "Member Approval" means approval granted by Members by adopting the required Members' Resolution;
- 2.1.16 "Members Representatives" means an individual appointed by a Member Company to vote at SATSA meetings, on the basis contemplated in clause 10.8.1;
- 2.1.17 "Members Resolution" means a resolution of the Voting Members voted on as contemplated in clause 13 and adopted as:
- 2.1.17.1 an Ordinary Resolution; or
- 2.1.17.2 a Special Resolution;
- 2.1.18 "Nominated Representative" means an individual appointed by a Member Company to be responsible for all administration and communication with SATSA;
- 2.1.19 "Non-Voting Member" means a Member of SATSA who is not entitled to a vote according to the terms set out in **Schedule 1 (Membership)**.
- 2.1.20 "Officers" means the officers of SATSA, being the SATSA Chairperson, Vice Chairperson and Treasurer appointed by the Board in terms of clause 20;
- 2.1.21 "Ordinary Resolution" means a resolution adopted with the support of more than 50% of the voting rights exercised on the resolution at a meeting of the Members or by Members acting other than at a meeting, as contemplated in section 60;
- 2.1.22 "Record Date" means the date established under section 59 on which SATSA determines the identity of its Members and their voting rights for the purposes of the Act;

- 2.1.23 "Regulations" means regulations published pursuant to the Act;
- 2.1.24 "SATSA Chairperson" means the person appointed in terms of clause 20.1.1 to be the chairperson of SATSA;
- 2.1.25 "SATSA Website" means SATSA's website published on www.satsa.co.za, as such site may be updated and changed from time to time;
- 2.1.26 "Secretariat" means the administrative organisation responsible for the administration of SATSA, as contemplated in **Schedule 3 (Organisational Structure)**;
- 2.1.27 "Southern Africa" means the region comprising South Africa, Namibia, Botswana, Zimbabwe, Zambia, Mozambique, Lesotho, Swaziland, Malawi, Madagascar, Reunion and Mauritius;
- 2.1.28 "Special Resolution" means a resolution adopted with the support of more than 67% of the voting rights exercised on the resolution at a meeting of the Members or by Members acting other than at a meeting, as contemplated in section 60;
- 2.1.29 "Special Resolution of the Board" means a resolution of the Board adopted with the support of more than two thirds of the Directors present at the meeting and entitled to vote, provided that a quorum for such meeting is present.
- 2.1.30 "Tier" means a specific Tier of Membership within SATSA, as contemplated in paragraph 4 of **Schedule 1 (Membership)**; and
- 2.1.31 "Voting Member" means a Member of SATSA who is entitled to a vote according to the terms set out in **Schedule 1 (Membership)**.
- 2.2 **Substantive provision.** If any provision in a definition is a substantive provision conferring rights or imposing obligations on any person, notwithstanding that it is only in the definition clause, effect shall be given to it as if it were a substantive provision of this MOI.

PART TWO : INCORPORATION AND NATURE OF SATSA**3 INCORPORATION**

3.1 **Juristic person.** SATSA is a pre-existing company as defined in the Act and, as such, continues to exist as a non-profit company as if it had been incorporated and registered in terms of the Act, as contemplated in item 2 of the Fifth Schedule to the Act, and this MOI replaces and supersedes the Memorandum and Articles of Association of SATSA applicable immediately prior to the filing hereof.

3.2 **Non-Profit Company.** SATSA is incorporated, as from the date of incorporation reflected in its registration certificate, as a non-profit company as defined in the Act. As such, SATSA must apply all its assets and income, however derived, to advance its stated object, as set out in this MOI.

3.3 **Short Name.** The short name of the company shall be "SATSA" or such other name as the Board may determine from time to time.

3.4 **Governing provisions.** SATSA is incorporated in accordance with and governed by:

3.4.1 the unalterable provisions of the Act;

3.4.2 the alterable provisions of the Act, subject to the limitations, extensions, restrictions, variations or substitutions set out in this MOI;

3.4.3 the other provisions of this MOI; and

3.4.4 any rules made by the Board in terms of clause 16.1.14.

3.5 **Limitation of Liability.** No person shall, solely by reason of being an incorporator, Member or Director of SATSA, be liable for any liabilities or obligations of SATSA.

4 MISSION, OBJECTS AND FUNCTION OF SATSA

4.1 **Mission.** The stated mission of SATSA is to promote credibility and integrity within the Industry allied with a commitment to the growth and recognition thereof for the benefit of all its Members.

4.2 **Objects.** The objects of SATSA are to:

4.2.1 promote and maintain among Members the highest standards of integrity;

4.2.2 establish, promote and represent the views of the Industry;

4.2.3 act as the recognised representative of the Industry;

4.2.4 make known to the appropriate authorities the problems and needs of the Industry;

4.2.5 identify marketing opportunities for the Industry and to assist Members to pursue such opportunities;

- 4.2.6 encourage and provide advice to the Industry to offer the highest standards of service and professionalism;
 - 4.2.7 create opportunities for Members to network amongst themselves and within the industry;
 - 4.2.8 pro-actively render specialist advice to organisations serving objectives conducive to those of SATSA and to extend the sphere of SATSA's influence;
 - 4.2.9 research and disseminate facts, figures, data and information regarding the Industry;
 - 4.2.10 monitor and influence all legislative issues, initiatives and matters concerning the Industry, as well as organisations and statutory bodies within the Industry;
 - 4.2.11 ensure that appropriate legalities, financial stability and insurance cover is complied with on application and reviewed annually by its Members;
 - 4.2.12 facilitate the development of emerging entrepreneurs within the Industry in order to qualify for SATSA Membership;
 - 4.2.13 educate the Industry by means of training, seminars and workshops;
 - 4.2.14 provide specialised training to raise the standards and professionalism of the tour operator Industry;
 - 4.2.15 promote opportunities for general communication within the Industry;
 - 4.2.16 establish, maintain and promote the credibility of the Industry;
 - 4.2.17 source and negotiate fit-for-purpose value adds and strategic partnerships to the benefit of Members; and
 - 4.2.18 engage, where the need arises, in tactical initiatives that will benefit Members.
- 4.3 **Functions.** SATSA shall:
- 4.3.1 ensure that all Members pay annual Membership fees to SATSA;
 - 4.3.2 actively pursue its mission and objectives in the best interest of its Members;
 - 4.3.3 foster the development and sustainability of its Chapters; and
 - 4.3.4 be accountable to its Members.
- 4.4 **Interpretation.** For the purposes of this clause, any reference to a section of the Income Tax Act or any regulation promulgated thereunder shall be a reference to that section or regulation as at the date of the adoption of this MOI, as amended or substituted from time to time. To the extent that any other provision of this MOI conflicts with the provisions of this clause 4, the provisions of this clause shall prevail over such conflicting clause.

5 POWERS OF SATSA

5.1 **Limitation, legal capacity and powers.** The legal powers and capacity of SATSA are not subject to any restrictions, limitations or qualifications, as contemplated in section 19(1)(b)(ii).

5.2 **General powers.** SATSA may do anything which the Act empowers a company to do unless, where permissible, the MOI provides otherwise.

5.3 **Amendment of Memorandum of Incorporation.** This MOI may be altered or amended in accordance with section 16 (Amending Memorandum of Incorporation) or 17 (Alterations, translations and consolidations of Memorandum of Incorporation), subject to prior Member Approval.

5.4 **Effective date of amendments to MOI.** An amendment of this MOI will take effect from the later of:

5.4.1 the date on, and time at, which the Commission accepts the filing of the notice of amendment contemplated in section 16(7); and

5.4.2 the date, if any, set out in the said notice of amendment,

save in the case of an amendment that changes the name of SATSA, which will take effect from the date set out in the amended registration certificate issued by the Commission.

6 FINANCIAL YEAR

The financial year-end of SATSA is the last day of December.

7 ENHANCED ACCOUNTABILITY AND TRANSPARENCY

7.1 **No voluntary compliance.** To the extent within the election of SATSA and not otherwise mandatorily required by the Act, SATSA elects, in terms of section 34(2), not to comply voluntarily with the provisions of Chapter 3 (Enhanced Accountability and Transparency) of the Act.

7.2 **Audit election.** SATSA elects to be audited, as may be required in terms of this MOI.

7.3 **Appointment of auditors.** The Board shall appoint or re-appoint an auditor on an annual basis, in compliance with the requirements of section 90.

7.4 **Annual financial statements.**

7.4.1 SATSA shall keep all such accurate and complete accounting records, in English, as are necessary to enable SATSA to satisfy its obligations in terms of:

7.4.1.1 the Act;

7.4.1.2 any other law with respect to the preparation of financial statements to which SATSA may be subject and IFRS;

7.4.1.3 the Regulations; and

- 7.4.1.4 this MOI.
- 7.4.2 SATSA shall each year prepare annual financial statements after the end of its financial year and the audited financial statements shall be submitted for approval at the first AGM following the financial year end.
- 7.4.3 The annual financial statements of SATSA shall be audited on an annual basis and accordingly, shall be prepared on a basis that is not inconsistent with any unalterable or non-elective provision of the Act and shall:
- 7.4.3.1 satisfy, as to form and content, the financial reporting standards of IFRS; and
- 7.4.3.2 subject to and in accordance with IFRS:
- 7.4.3.2.1 present fairly the state of affairs and business of SATSA and explain the transactions and financial position of the business of SATSA;
- 7.4.3.2.2 show SATSA's assets, liabilities and equity, as well as its income and expenses;
- 7.4.3.2.3 set out the date on which the statements were produced and the accounting period to which they apply; and
- 7.4.3.2.4 bear on the first page thereof a prominent notice indicating that the annual financial statements have been audited and the name and professional designation of the person who prepared them.

and it shall be the responsibility of the Treasurer to ensure that the financial statements and books and accounts of SATSA are maintained and presented on the basis contemplated in this MOI.

- 7.5 **Provision of information.** The Secretariat shall furnish the Directors:
- 7.5.1 as soon as possible after the end of each financial half-year, with management accounts, including a statement of financial position, statement of comprehensive income and statement of cash flows for such period; and
- 7.5.2 as reasonably requested in writing, any other information on the basis set out in section 26(1).

<u>PART THREE : MEMBERS</u>

8 MEMBERS OF SATSA

8.1 **Members.** As contemplated in Item 4(1) of Schedule 1 of the Act, SATSA has two classes of Members, namely:

8.1.1 Voting Members, each of whom have one vote in any matter to be decided by the Members; and

8.1.2 Non-Voting Members, who shall not have a vote;

as more specifically defined in in **Schedule 1 (Membership)**.

8.2 **Conditions and qualifications.** The qualifications for and conditions applicable to Membership of SATSA are set out in **Schedule 1 (Membership)**.

9 MEMBERS' REGISTER

9.1 **Members' register.** Any business who is entitled to have its name entered into the Members' register of SATSA shall provide SATSA with all the information it may require from time to time for purposes of establishing and maintaining the Members' register, including the name, business address, residential address, postal address and available e-mail address of that person.

9.2 **Information in Members' register.** The information in the Members' register shall reflect the number of Members, the Tier in which they fall and their membership status (in good standing, not yet in good standing, voluntary suspended, SATSA suspended, terminated, resigned).

9.3 **Member's register publishing.** A comprehensive list of SATSA Members will be published and maintained on the SATSA Website, including membership status (in good standing, not yet in good standing, voluntary suspended, SATSA suspended, terminated, resigned, etc).

10 MEMBERS' MEETINGS

10.1 **Holding of Members' meetings.** Subject to clause 13.3 and the provisions of section 60 dealing with the passing of resolutions of Members otherwise than at a meeting of Members, SATSA shall hold a Members' meeting:

10.1.1 at any time that the Board is required by the Act or this MOI to refer a matter to Members for decision; or

10.1.2 whenever required in terms of the Act to fill a vacancy on the Board; or

10.1.3 when required by any other provision of this MOI.

10.2 **Convening of meetings of Members.** The Board, or any other person specified in clause 10.3 below, may call a meeting of Members at any time. In addition, the Board must call a

meeting of Members if a written demand from Voting Members representing no less than 10% of the Voting Members in good standing calling for such meeting is delivered to SATSA and each such demand describes the specific purpose for which the meeting is proposed.

10.3 **Other persons entitled to call meetings.** In addition to the Board, the Management Committee may call a meeting of Members in terms of section 61(1) if the Board fails to comply with clause 10.1,

10.4 **Location of meetings.** The Board may determine the location of Members' meetings (including the location of any meeting which has been adjourned).

10.5 **Notice of Members' meeting.** A notice of a Members' meeting, complying with the provisions of clause 10.6, must be delivered to each Member of SATSA at least 21 days before the date of the proposed meeting.

10.6 **Requirements for notice.** A notice of a Members' meeting must include the following information:

10.6.1 the date, time and place for the meeting;

10.6.2 the general purpose of the meeting and any specific purpose as contemplated in clause 10.2

10.6.3 a copy of any proposed resolution of which SATSA has received notice, and which is to be considered at the meeting, and a notice of the percentage of voting rights that will be required for that resolution to be adopted;

10.6.4 in the case of an AGM of SATSA:

10.6.4.1 the financial statements to be presented or a summarised form thereof; and

10.6.4.2 directions for obtaining a copy of the complete annual financial statements for the preceding financial year; and

10.6.5 a reasonably prominent statement that:

10.6.5.1 all Members are entitled to attend the meeting;

10.6.5.2 a Voting Member entitled to attend and vote at the meeting must appoint:

10.6.5.2.1 a Member's Representative; or

10.6.5.2.2 a Proxy

to attend, participate in and vote at the meeting in the place of the Member, provided that a proxy must comply with the provisions of clause 10.8; and

10.6.5.3 participants will be required to provide satisfactory identification to verify their right to participate at the meeting, as contemplated in clause 10.9.

10.7 **Chairperson.** The SATSA Chairperson shall be entitled to chair Members' meetings or, in his absence, the Vice Chairperson ("**Designated Chairperson**"). If, however, a Designated Chairperson is not present or if both persons have notified the Members' meeting of their inability to attend a meeting or if at any meeting such persons are not present within 15 minutes of the time appointed for the meeting, the Voting Members who are present shall choose another Director to chair the meeting. If no Director is present or if none of the Directors present are willing to chair the meeting, then the Members shall choose one of their own to be the chairperson of the meeting.

10.8 **Members' Representatives.**

10.8.1 Members shall be represented at Members' meetings by Members' Representatives appointed by Members in accordance with clause 10.10.

10.8.2 Members' Representatives must be in the full time employ of the Member and authorised to exercise its rights in terms of this MOI.

10.8.3 A Member is required to replace its Members' Representative as soon as such person ceases to be employed by such Member.

10.8.4 A person who serves on any SATSA structure, whether Board, Management Committee, Chapter Committee, or otherwise will be required to vacate their position if they cease to be employed by the Member who appointed them as Members' Representative, irrespective of whether they are subsequently appointed as a Members' Representative for another Member.

10.9 **Verification of right to attend meeting**

10.9.1 A person wishing to attend or participate in a Members' meeting (whether as a Member Representative or by proxy), must present reasonably satisfactory identification to the chairperson of the meeting (or his nominee) no less than 60 minutes before the time scheduled for the start of the meeting. The chairperson (or his nominee) must be reasonably satisfied that the right of the person to attend and vote has been reasonably verified.

10.9.2 For the purposes of this clause 10.9.1, the following forms of identification shall be "reasonably satisfactory": a valid identity document, driver's license or passport (or a certified copy of any of these documents), accompanied by a power of attorney, letter of authority or other instrument appointing the Members' Representative, proxy or person to attend the meeting on behalf of a Member. In the event that the identification process is not completed by the time that the meeting is scheduled to begin, then the commencement of the meeting shall be delayed until the identification process is complete.

- 10.10 ***Proxies and Member's Representative.*** A Voting Member may, at any time, appoint any individual, subject to the requirements of clause 10.8, as a Member's Representative or proxy to:
- 10.10.1 participate in, and speak and vote at, a Members' meeting (or adjournment thereof) on behalf of the Member; or
 - 10.10.2 give or withhold written consent on behalf of the Member to a decision contemplated in section 60, being the consideration and passing of a resolution or the election of directors other than at a meeting of Members.
- 10.11 ***Requirements for instrument of appointment.***
- 10.11.1 The instrument that appoints a Member's Representative or proxy shall be in writing, dated and signed by an authorised representative of the Member.
 - 10.11.2 The appointment of a Member's Representative or proxy shall be made either by an appointment form or by a power of attorney or by such other means as may be acceptable to the Board and which shall comply with section 58.
- 10.12 ***Authority of proxy to delegate.*** A proxy may not delegate his authority to act on behalf of a Member appointing him as proxy to another person.
- 10.13 ***Delivery of proxy instrument.*** A copy of the instrument appointing a proxy must be delivered to the SATSA Secretariat, or to any other person specified to receive such instrument in the notice convening the meeting, not less than 24 hours (or such lesser period as the directors may determine in relation to any particular meeting), before such meeting is due to take place, failing which the instrument of proxy or power of attorney shall not be treated as valid.
- 10.14 ***Deliberative authority of proxy.*** The authority of a Voting Member's proxy to decide to vote in favour of, against, or to abstain from exercising any voting rights shall be determined by the instrument appointing the proxy.
- 10.15 ***Validity of appointment.***
- 10.15.1 The proxy appointment remains valid for its intended purpose, provided that it may be revoked at any time by cancellation in writing, or the making of a later inconsistent appointment of another proxy and delivering a copy of the revocation instrument to the proxy and to SATSA.
 - 10.15.2 The appointment of a proxy shall be suspended at such time and to the extent that the Member appointing such proxy chooses to act directly and in person in the exercise of any rights as a Member.
 - 10.15.3 A vote given in accordance with the terms of an instrument of proxy or power of attorney appointing a proxy shall be valid notwithstanding the previous legal incapacity of the Member or revocation of the instrument or power of attorney in respect of which the vote

is given, unless notice in writing of such legal incapacity, revocation shall have been received by or on behalf of SATSA not less than 24 (twenty four) hours (or such lesser period as the Board may determine in relation to any particular meeting) before the time appointed for holding the meeting.

10.16 **Electronic participation.** A Members' meeting may be conducted entirely or partly by electronic communication, provided that the electronic communication employed ordinarily enables all participants in the meeting to communicate concurrently with each other without an intermediary and to participate reasonably effectively in the meeting.

10.17 **Resolution adopted by Members who are connected by electronic communication.** A resolution approved by a majority of Members who were connected by electronic communication at a Members' meeting where:

10.17.1 all such Members remained connected for the duration of the electronic meeting;

10.17.2 the subject matter of the resolution had been discussed at such meeting; and

10.17.3 the chairperson, vice-chairperson or any Member present at such electronic meeting certifies in writing that the aforementioned requirements have been met,

shall be valid and shall be deemed to have been passed on the date on which the meeting was held (unless a statement to the contrary is made in the minutes of such meeting).

10.18 **Delivery of resolution.** Within 14 days after the adoption or failing of a resolution at a meeting contemplated in clause 10.16, SATSA shall:

10.18.1 deliver to each Member a copy of the resolution proposed with a statement describing the results of the vote, consent process or election as the case may be; and

10.18.2 insert a copy of the resolution and statement referred to in 10.18.1 into SATSA's statutory register.

10.19 **Quorum**

10.19.1 A quorum at any General Meeting shall be constituted by at least 10% of the Voting Members, either present in person or represented by proxy.

10.19.2 If within 30 minutes after the time appointed for the meeting a quorum is not present, the meeting will stand adjourned to a time and venue as laid down by the Designated Chairperson, provided that such meeting shall be held on a date no later than 6 weeks from the date of the meeting so adjourned. Written notice of such adjourned meeting (incorporating an agenda) shall be given to all Members within 7 days of the Meeting so adjourned and not less than 48 hours before such adjourned meeting is to be held.

10.19.3 If at such adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting, any Members present in person or by proxy shall constitute a

quorum. No business may be conducted at the adjourned meeting save for business specified on the agenda.

10.20 **Extension of time.** The chairperson presiding at a Members' meeting may extend the 30-minute limit specified in clause 10.19 as contemplated in section 64(5) for a reasonable period on grounds that:

10.20.1 exceptional circumstances affecting weather, transportation or electronic communication have generally impeded or are generally impeding the ability of Members to be present at the meeting; or

10.20.2 one or more particular Members, having been delayed, have communicated an intention to attend the meeting, and those Members, together with others in attendance, would satisfy the quorum requirements of clause 10.19.

10.21 **Adjournment of meeting.**

10.21.1 Subject to clauses 10.19, 10.20 and 10.21.2, a Members' meeting (or consideration of a particular matter on the agenda) may be adjourned without further notice to a fixed time and place (but will require a notice if it is adjourned "until further notice") by a vote in favour thereof by holders of the voting rights held by all persons present or represented at the meeting.

10.21.2 A meeting may not be adjourned beyond the earlier of:

10.21.2.1 120 days after the record date determined in accordance with clause 14; or

10.21.2.2 60 days after the date on which the adjournment occurred.

10.22 **Minutes.** SATSA must keep minutes of the meetings of Members and include in the minutes every resolution adopted by the Voting Members. Minutes of meetings must be distributed within 21 days of a meeting.

11 AGM

11.1 **Convening.** Notwithstanding any provision of the Act to the contrary, and in addition to other meetings of SATSA that may be convened from time to time, SATSA shall convene an AGM of its Members once in each calendar year, but no more than 15 months after the date of the previous AGM, provided that any such AGM shall not be capable of being held by electronic communication in accordance with the further provisions of this MOI.

11.2 **No written resolution.** Any business required in terms of the Act to be conducted at an AGM may not be conducted by way of a written resolution of Members. However, business dealt with at an AGM which is additional to that required to be dealt with in terms of the Act, may be conducted in this manner.

11.3 **Business transacted at AGM.** Each AGM of SATSA shall provide for at least the following business to be transacted:

- 11.3.1 consideration of the SATSA Chairperson's report;
- 11.3.2 consideration of the Treasurer's and/or Auditors' Report;
- 11.3.3 consideration of the Chief Executive Officer's report;
- 11.3.4 to elect available positions within the Board;
- 11.3.5 consideration of amendments to the MOI and the ratification of any rules implemented by the Board;
- 11.3.6 determination of Membership fees for the ensuing year;
- 11.3.7 conducting any other business which may validly be transacted at the meeting; and
- 11.3.8 attending to any matters raised by the Members, with notice to SATSA.

12 VOTING AT MEMBERS' MEETINGS

- 12.1 **Votes.** Each member in good standing shall have 1 vote, whether in person via its Member's Representative or by proxy, at any Members' meeting.
- 12.2 **Method of voting.** Save as is otherwise expressly provided by the Act or by this MOI, all questions, matters and resolutions arising at or submitted to any Members' meeting shall be decided by a majority of the votes of Voting Members (including proxies) cast on a poll. Notwithstanding the aforementioned, if the number of proxies submitted for the particular meeting represent less than 5% of the votes at such meeting, the Designated Chairperson may determine that voting will take place on a show of hands.
- 12.3 **Poll.** The Designated Chairperson, or his designee, shall count the votes and declare the result of the poll at the meeting or electronically as soon as the counting is completed. In case of any dispute as to the admission or rejection of a vote, the chairperson of the meeting shall determine the dispute and the determination of the chairperson made in good faith shall be final and conclusive.
- 12.4 **Results of poll or vote.** Subject to the provisions of the Act, a declaration by the Chairperson that a resolution has been carried, or carried by a particular majority, or lost, or not carried by a particular majority, shall be final and an entry to that effect in the statutory register of SATSA shall be conclusive evidence of the fact. The Chairperson is required to record the number and/or percentage of votes in favour of and against the proposed resolution, as well as any abstentions.

13 MEMBERS' RESOLUTIONS

- 13.1 **Proposal by Board.** The Board may propose any resolution to be considered by Voting Members and may determine whether that resolution will be considered and voted on at a meeting of Voting Members or by written vote in accordance with clause 11.

13.2 **Proposal by Members.** Any Voting Member shall be entitled to propose a resolution concerning a matter in respect of which it is entitled to exercise voting rights and may require that the resolution be considered at a meeting of Voting Members or by written vote in terms of clause 13.3. In order for such resolution to be considered, it must be submitted by the Member concerned at least 7 days prior to the meeting at which it is due to be considered.

13.3 **Round robin resolution**

13.3.1 Pursuant to section 60(1), a resolution in writing signed by such percentage as is required to pass an Ordinary Resolution or a Special Resolution, as is applicable in the circumstances, within 30 days after the resolution was submitted to the Voting Members and inserted in the statutory register of SATSA, shall be as valid and effective as if it had been passed at a properly constituted Members meeting.

13.3.2 The written resolution shall be deemed (unless a statement to the contrary is made in that resolution) to have been passed on the last day on which that resolution is signed by any one or more of the Member's Representatives who are entitled to exercise voting rights in relation to that resolution.

13.3.3 The written resolution may consist of two or more documents in the same form, each of which is signed by one or more such Voting Members, as the case may be. Within 14 days after adopting such a round robin resolution, SATSA must deliver a statement setting out the result of the vote to every Voting Member entitled to vote on the matter.

14 **RECORD DATE**

14.1 **Definition.** The record date means the date established under section 59 on which a company determines the identity of its Members.

14.2 **Board determination.** If the Board determines the record date, the record date:

14.2.1 may not be earlier than the date on which the record date is determined or no more than 14 days before the date on which the event or action, for which the record date is being set, is scheduled to occur; and

14.2.2 must be published to the Members in a manner that satisfies any prescribed requirements.

14.3 **Where the Board fails to determine record date.** If, at any time the Board fails to determine a record date, the record date for the relevant matter is:

14.3.1 in the case of a meeting of Members, the latest date by which SATSA is required to deliver to Voting Members, notice of that Members' meeting; or

14.3.2 the date of action or event, in any other case.

14.4 **Publishing notice of record.** SATSA may publish a notice of a record date for any matter by:

- 14.4.1 delivering an electronic copy to each Member; or
- 14.4.2 posting a conspicuous copy of the notice:
 - 14.4.2.1 at its registered office; or
 - 14.4.2.2 on the SATSA Website; or
 - 14.4.2.3 in the SATSA Newsletter.

15 CHAPTERS

- 15.1 The Board shall from time to time establish Chapters to enable Members to align themselves along provincial lines, National lines, or based on a specific tourism sector.
- 15.2 Such Chapters shall at all times be required to comply with the Chapter Guidelines set out in **Schedule 2 (Chapter Guidelines)**.
- 15.3 A list of current Chapters shall be published on the SATSA Website from time to time.

PART FOUR : DIRECTORS AND OFFICERS**16 GENERAL POWERS AND DUTIES OF DIRECTORS**

- 16.1 ***Powers of the Board.*** The business and affairs of SATSA shall be managed by or at the direction of the Board, which has the full authority to do so and perform any of the functions of SATSA, except to the extent that the Act or this MOI provides otherwise. Without derogating from the generality of the aforementioned, the Board shall have the power to:
- 16.1.1 provide direction on strategic matters through majority voting;
 - 16.1.2 approve SATSA annual budgets and authorise any request from the Management Committee for unbudgeted expenditure over R100,000 per item;
 - 16.1.3 establish and dissolve such Chapters as it deems necessary;
 - 16.1.4 impose a penalty fee for members who do not comply with the annual review and payment process within a reasonable time, provided that any such decision shall require a Special Resolution of the Board;
 - 16.1.5 impose special levies on Members in circumstances where SATSA requires emergency funds, provided that any such decision shall require a Special Resolution of the Board;
 - 16.1.6 represent SATSA in its dealings with the authorities;
 - 16.1.7 liaise with the general public on behalf of SATSA;
 - 16.1.8 appoint such committees and subcommittees, which shall report and be responsible to the Board, as it deems necessary to achieve and promote the objectives of SATSA;
 - 16.1.9 appoint and remove the Chief Executive Officer of SATSA;
 - 16.1.10 approve remuneration for the CEO and COO;
 - 16.1.11 institute such legal, arbitration or mediation proceedings in the name of SATSA as the Board deems necessary and in the best interests of SATSA;
 - 16.1.12 defend any legal proceedings and participate in arbitration or mediation proceedings brought against SATSA;
 - 16.1.13 settle disputes in which SATSA may become involved;
 - 16.1.14 promulgate such Rules, which shall not be inconsistent herewith, as may be necessary for the proper conduct of the business and activities of SATSA;
 - 16.1.15 assign such duties and delegate such of its powers to the Management Committee as it may deem fit; and

- 16.1.16 do all such things generally as may be necessary or desirable to achieve the objectives of SATSA, as may be in the interest of SATSA or may be conducive to the good management of SATSA.
- 16.2 **Rules.** The Board shall publish a copy of any rules which it may make for SATSA in terms of section 15(3) or which it may amend, on SATSA's Website.
- 16.3 **Payments and financial assistance.** SATSA shall not, directly or indirectly, pay any portion of its income, regardless how the income was derived or provide any financial assistance to any Director or alternate Director except as provided for in clause 28 below.

17 COMPOSITION OF THE BOARD

- 17.1 **Composition of the Board.** The Board shall comprise the following:
- 17.1.1 each Chairperson of a Chapter recognised by SATSA shall be *ex officio* Members of the Board;
- 17.1.2 6 Directors appointed by the Voting Members at the AGM on the basis set out in clause 18;
- 17.1.3 such additional Directors as the Board may co-opt from time to time by a Special Resolution of the Board, provided that any such person meets the qualification requirements set out in clause 18.3
- 17.1.4 any Treasurer appointed from outside the Members of the Board in the circumstances contemplated in clause 20.1.3 shall be an *ex officio* Member of the Board;
- 17.1.5 the Chief Executive Officer shall be an Executive Director;
- 17.1.6 the Chief Operating Officer shall be an observer on the Board. In this regard:
- 17.1.6.1 the COO shall be entitled to attend Directors' meetings;
- 17.1.6.2 shall be entitled to make representations but shall not be entitled to vote on any matters which are deliberated on at such meeting; and
- 17.1.6.3 shall not be deemed to be a Director or prescribed officer of the company in terms of the Act.
- 17.2 **Register of Directors.** SATSA must maintain records of its Directors, including the details specified in the Act, in a "**Register of Directors**".
- 17.3 **SATSA Chairperson.**
- 17.3.1 The chairperson of board meetings shall be the SATSA Chairperson; but if at any meeting the SATSA Chairperson is not present within 15 minutes after the time appointed for holding it, or he has indicated his unavailability to attend, the Vice-Chairperson shall act as Chairperson of the meeting, or failing his presence, the Directors present may choose

one of their number to be chairperson of the meeting. The Chairperson of a meeting shall be entitled to a casting vote in addition to his or her deliberative vote.

17.3.2 At any meeting of the Board the SATSA Chairperson can be removed from office by a two thirds majority vote of all the Directors, provided that 21 days' written notice of the proposed removal from office has been given by a Board Member to all Members of the Board, in which event the Vice-Chairperson shall be the Acting Chairperson for the unexpired period of the SATSA Chairperson's term of office. If the Vice-Chairperson is unable or unwilling so to act, the Board from its own ranks shall elect an Acting Chairperson whose term of office shall be as aforesaid. The procedure for the removal of an Acting Chairperson shall be the same *mutatis mutandis*.

17.4 **Co-option and Vacancies.**

17.4.1 The Board may at any time, subject to a Special Resolution of the Board, co-opt up to 6 persons as Directors who, in the reasonable opinion of the Board will enhance the decision-making and activities of the Board, provide specialist strategic insight or who may be representatives of major SATSA sponsors.

17.4.2 Co-opted Directors:

17.4.2.1 must comply with the requirements of clause 18.4;

17.4.2.2 will each have one vote at meetings of the Board.

17.4.3 If a vacancy arises on the Board, the Board may co-opt additional Directors to fill the vacancy until the next AGM of SATSA.

17.4.4 Vacancies on the Board and nominations of candidates to be announced with the AGM notice and required forms distributed

17.5 **Continuing Directors.** The continuing Directors (or sole continuing Director) may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to this MOI as a quorum, the continuing Directors or Director may act only for the purpose of summoning a meeting of Directors.

18 **ELECTION OF DIRECTORS BY AGM**

18.1 **Basis.** As contemplated in clause 17.1.2, Directors shall be nominated for appointment by election by the Voting Members at the AGM of SATSA.

18.2 **Nomination.** Nominations of candidates eligible for election as the 6 Members of the Board shall be made in writing, duly signed by a Voting Member and accepted by the nominee, both in good standing, and submitted to the Chief Operations Officer of the Management Committee before 15:00 on the 7th day prior to the AGM.

18.3 **Eligibility.** Nominees must:

- 18.3.1 be employed by a Member (though not necessarily by the nominating Member);
 - 18.3.2 be involved in the Industry;
 - 18.3.3 not be disqualified from acting as a Director in terms of the Act; and
 - 18.3.4 be fit and proper persons.
- 18.4 **Election.** The names of the nominated Members shall be put to the vote at the AGM and the candidates with the most votes from Voting Members shall be appointed to the Board.

19 APPOINTMENT OF DIRECTORS

- 19.1 **Qualification Requirements.** In order for a person to serve as a Director or an alternate Director of SATSA, such person, in addition to the requirements of the Act and this MOI, must:
- 19.1.1 continue to comply with the provisions of clause 18.3; and
 - 19.1.2 exercise independent decision making power. In this regard the Directors are expected to make decisions at board meetings based on their own individual discretion. Directors shall not delay resolutions at board meetings on the basis that they require to consult with their constituency and to the extent that any consultation is required, this must be undertaken prior to the Board meeting at which such resolution is to be considered.
- 19.2 **Appointment of Directors.** Subject to the Act, the Directors must be appointed by the Board at a special meeting of the Board to procure the intended appointment or removal of a Director or alternate Director.
- 19.3 **Consent of Director required.** No appointment of a Director shall take effect until he or she has delivered to SATSA a written consent to serve as such.
- 19.4 **Term**
- 19.4.1 Each of the Directors and the alternate Directors shall be appointed to serve, subject to the provisions of clause 22 for period of 3 years. An alternate Director shall serve in the place of the Director who appoints him during such Director's absence or inability to act as Director.
 - 19.4.2 Three of the 6 Member-nominees contemplated in clause 17.1.2, shall stand down at each AGM at the end of their term and may stand for re-election. There is no limit to the number of terms or years which an ordinary Director may serve.
- 19.5 **Confidentiality.** Board Members are required to stipulate a Declaration of Confidentiality and Interest at every Board Meeting.

20 OFFICERS

- 20.1 **Officers.** The following officers of SATSA shall be elected by the Board from the directors appointed in terms of clauses 17.1.1, 17.1.2 and 17.1.3:

- 20.1.1 the SATSA Chairperson
- 20.1.2 a Vice Chairperson;
- 20.1.3 the SATSA Treasurer, who shall be suitably qualified (in the view of the Board), provided that if there is no suitably qualified candidate on the Board, the Board may appoint a Treasurer from outside the then-Members of Board. In such circumstances the external appointee shall become a Member of the Board, *ex officio*.
- 20.2 ***Term of Office.***
- 20.2.1 The term of office for the SATSA Chairperson and Vice-Chairperson shall be for 3 years from the AGM or Board meeting at which they are elected in terms of clause 20.3.
- 20.2.2 The term of office of the SATSA Chairperson and Vice-Chairperson should run concurrently (i.e. elections for both positions should take place in the same year) and to the extent that either is required to be replaced, such replacement shall only serve for the balance of the term of the person he or she is replacing.
- 20.2.3 The SATSA Chairperson may not be re-elected more than twice consecutively in order that he/she does not hold office for more than six (6) years in succession.
- 20.3 ***Election.*** To the extent that Officers need to be elected, the election thereof shall happen after the announcement of new board Members at an AGM.

21 ALTERNATE DIRECTORS

21.1 ***Appointment of alternate Directors.***

- 21.1.1 In respect of
- 21.1.1.1 the Directors contemplated in clauses 17.1.1 and 17.1.5, only their deputies may be appointed as alternate Directors;
- 21.1.2 Any of the other Directors may only appoint an alternate Director from within its staff or another SATSA Member, to act as an alternate Director in such Director's place and during their absence.
- 21.1.3 Any appointment or removal of an alternate Director shall be effected by a written notice to the Secretariat, appointing or requesting the removal of that alternate by the Director appointing them.

21.2 ***Powers of alternate Directors.***

- 21.2.1 An alternate Director shall, except as regards the power to appoint an alternate, be subject in all respects to the terms and conditions applicable to the other Directors. On a person being appointed as an alternate Director, the alternate Director shall in all respects be subject to the provisions of this MOI as applicable to the other Directors of SATSA.

21.2.2 An alternate Director shall be entitled to act at all meetings and in all proceedings in which, and on all occasions when, the Director in respect of whom he has been appointed as an alternate is not present and does not act himself.

21.3 **Cessation of appointment of an alternate Director.** An alternate Director shall cease to be an alternate Director if the Director for whom he was appointed as the alternate Director ceases for any reason to be a Director, provided that if any Director retires and is re-appointed at the same meeting, any alternate Director appointment in respect of such Director shall remain in force as though the Director had not retired.

22 CESSATION AND REMOVAL OF DIRECTORS

22.1 **Cessation as Director.** A Director shall no longer be eligible and shall cease to hold office as such if:

22.1.1 he resigns by giving notice in writing;

22.1.2 he becomes prohibited from being a director by virtue of the provisions of the Act or any other legislation; or

22.1.3 he is under investigation for having committed an offence involving theft, forgery, fraud, perjury or any other offence involving an element of dishonesty; or

22.1.4 he has a criminal record; or

22.1.5 he has breached any material provision of this MOI or his fiduciary duties or has brought SATSA into disrepute and has failed to remedy that breach within a period of 14 days after having received notice from SATSA to do so; or

22.1.6 his term of office as a director expires; or

22.1.7 he becomes incapacitated to the extent that he is unable to perform the functions of a director, and is unlikely to regain that capacity within a reasonable time; or

22.1.8 he is declared delinquent by a court, or placed on probation under conditions that are inconsistent with continuing to be a director of SATSA, as contemplated in section 162; or

22.1.9 he becomes ineligible or disqualified as contemplated in section 69;

22.1.10 he ceases to comply with the requirements of clause 19.1; or

22.1.11 he is removed from office in terms of this MOI.

22.2 **Immediate cessation.** A Director, prescribed officer or Board committee Member who becomes ineligible or disqualified to hold office under the Act or this MOI, ceases to be entitled to act in such office with immediate effect, subject to clause 17.4.

22.3 **Filing required.** SATSA must file with the Commission a notice in the prescribed form within 14 days of a person becoming, or ceasing to be, a Director.

22.4 **Removal of Directors.** Notwithstanding anything to the contrary in this MOI, or any agreement between SATSA and a Director, a Director may be removed from office by:

22.4.1 an ordinary resolution adopted at a Members' meeting by the persons entitled to exercise voting rights in an election of that director, subject to section 71;

22.4.2 a resolution of the Board as contemplated in clause 22.5; or

22.4.3 by order of court,

subject to the further provisions of this MOI and the Act.

22.5 **Board may remove Director.** If a Director has alleged that another Director:

22.5.1 has become:

22.5.1.1 ineligible or disqualified as contemplated in section 69 or clause 22.1, other than on the grounds contemplated in section 69(8)(a) (court prohibition or delinquency); or

22.5.1.2 incapacitated to the extent that the Director is unable to perform the functions of a Director, and is unlikely to regain that capacity within a reasonable time; or

22.5.2 has neglected, or been derelict in the performance of, the functions of a Director, including, without limitation due to missing 4 meetings in any financial year of SATSA,

the Board, excluding the Director concerned, must determine the matter by Special Resolution of the Board, and may remove the Director whom it has determined to be ineligible or disqualified, incapacitated, or negligent or derelict, as the case may be.

22.6 **Notice and presentation.** Before the Board may consider a resolution contemplated in clause 22.5, the affected Director must be given:

22.6.1 notice of the meeting, including a copy of the proposed resolution and a statement setting out reasons for the resolution, with sufficient specificity to reasonably permit the Director to prepare and present a response; and

22.6.2 a reasonable opportunity to make a presentation, in person or through a representative, to the meeting before the resolution is put to a vote.

22.7 **Suspension.** Notwithstanding clause 22.1, if the Board has removed a Director in terms of clause 22.5, a vacancy on the Board does not arise until the later of:

22.7.1 the expiry of the time for filing an application for review in terms of section 71(5); or

22.7.2 the granting of an order by the court on such an application,

but the Director is suspended from office during that time.

22.8 **Remedies.** Section 71 provides the remedies of the Director concerned and/or Directors that may have voted against the removal of the said Director.

23 BOARD MEETINGS

23.1 **Calling a meeting.** A Director authorised by the Board may call a meeting of the Board at any time and must call such a meeting if required to do so by at least 2 Directors.

23.2 **Regulating meetings.** The Directors may regulate their meetings as they think fit. The Directors shall however meet no less than 4 times per annum.

23.3 **Notice of meetings**

23.3.1 Subject to clause 23.4, a notice of a Board meeting must be in writing and delivered to each Director of SATSA (including each alternate Director) so as to be received by the Director in question in the ordinary course not less than 21 days before the date appointed for the Board meeting, provided that in exceptional circumstances the notice period may be shortened as is necessary to allow the Directors to attend to the exceptional circumstances in question.

23.3.2 Such notice of a Board meeting may be in any form determined by the Board, but must as a minimum include:

23.3.2.1 the date, time and place for the meeting;

23.3.2.2 a detailed agenda for the meeting;

23.3.2.3 information with respect to the availability of participation in the meeting (and in the postponement or adjournment of the meeting) by electronic communication and the necessary information to enable Directors (including their alternates) to access the available medium or means of communication; and

23.3.2.4 the general purpose of the meeting.

23.4 **Waiver of notice.** If all of the Directors:

23.4.1 acknowledge actual receipt of the notice;

23.4.2 are present at a meeting of the Directors; or

23.4.3 waive notice of the meeting;

the meeting may proceed even if SATSA failed to give the required notice of that meeting, or there was a defect in the giving of the notice.

23.5 **Meeting.** The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

23.6 **Venue.** The venue for meetings of the Board shall be determined by CEO from time to time and shall be at a venue in Southern Africa. A meeting of Directors may be conducted by electronic communication and/or one or more Directors may participate in a meeting of Directors by electronic communication so long as the electronic communication facility employed ordinarily enables all persons participating in that meeting to communicate

concurrently with each other without an intermediary, and to participate effectively in the meeting.

23.7 **Quorum.** To constitute a quorum at a meeting of the Board, at least 50% of the Directors must:

23.7.1 be personally present at the meeting or participate in person electronically, before a vote may be called at a meeting of Directors; and

23.7.2 remain present at a meeting for such meeting to continue.

23.8 **Automatic postponement of a meeting**

23.8.1 If within 30 minutes of the appointed time for a Board meeting to begin a quorum is not present, then the meeting is automatically postponed (without any motion, vote or further notice) for one week.

23.8.2 The 30-minute limit may be extended for a reasonable period not exceeding two (2) hours by the chairperson of the meeting.

23.9 **Automatic adjournment of a meeting.** If at the time a matter is to be considered at a Board meeting, a quorum is not present and there is no other business on the agenda which can be dealt with, the meeting is automatically adjourned (without any motion or vote) for one week.

23.10 **Voluntary postponement of a particular matter to later in the Board meeting.** If at the time a particular matter is to be considered at the Board meeting, a quorum is not present, but there is other business remaining on the agenda, consideration of that matter may be postponed (without motion or vote) to the end of the Board meeting.

23.11 **Further notice required for postponed or adjourned meeting.** Further notice of a Board meeting that is postponed or adjourned is not required unless the location for the meeting is different from:

23.11.1 the location of the postponed or adjourned meeting; or

23.11.2 the location announced at the time of adjournment, in the case of an adjourned meeting.

23.12 **Deemed quorum at a postponed or adjourned meeting.** If at the appointed time for a postponed meeting to begin or an adjourned meeting to resume, the quorum requirements are not met, then those Directors present in person at the Board meeting including those participating electronically, will be deemed to constitute a quorum.

23.13 **Minutes.** SATSA must keep minutes of the meetings of the Board, and include in the minutes:

23.13.1 any declaration given by notice or made by a Director as required by section 75 (Personal interests of Directors); and

23.13.2 every resolution adopted by the Board.

23.14 **Adopting minutes.** Any minutes of a meeting, or a resolution, signed by the Chairperson of the meeting, or by the Chairperson of the next meeting of the Board, are evidence of the proceedings of that meeting, or adoption of that resolution, as the case may be.

23.15 **Confidentiality.** Records of such meetings, including minutes, will be constitute Confidential Information and only be accessible to other Board Members.

24 VOTING AT BOARD MEETINGS

24.1 Each Director shall on a show of hands have one vote only, provided that on a written request signed by no fewer than 5 Directors at any meeting, a vote of the Board may be conducted via a poll, in which event each Director shall be entitled to cast one vote.

24.2 A simple majority vote is required to approve a resolution of the Board.

24.3 A resolution will fail where the vote is not passed by the requisite majority, provided that where the resolution can be swayed by one vote, the Chairperson of the meeting shall have a casting vote.

25 DIRECTORS RESOLUTIONS

25.1 **Resolutions.** Resolutions adopted by the Board:

25.1.1 must be dated and sequentially numbered; and

25.1.2 are effective as of the date of the resolution, unless the resolution states otherwise.

25.2 **Resolution signed during electronic communication.** A resolution approved by the required majority of Directors, where the Directors were connected electronically, and where:

25.2.1 all the Directors remained connected for the duration of the electronic meeting;

25.2.2 the subject matter of the resolution had been discussed at such electronic meeting; and

25.2.3 the Chairperson, Vice-Chairperson or any other Director present at such meeting certifies in writing that the aforementioned requirements have been met;

shall be valid and shall be deemed to have been passed on the date on which the meeting was held.

25.3 **Round robin resolutions**

25.3.1 A round robin resolution of Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted, provided that it is adopted by written consent of a required majority of the Directors provided that each Director has received prior notice of the matter to be decided upon.

25.3.2 A resolution passed in terms of clause 25.3.1 shall be deemed to have been passed on the date on which it was signed by the Director last required to achieve the requisite approval unless the resolution states otherwise.

25.3.3 Any such resolution may consist of several documents, each of which may be signed by one or more Directors (or their alternates, if applicable).

26 BOARD COMMITTEES

26.1 **Board may delegate.** The Directors may by resolution appoint any number of committees of the Board and may delegate any of their authority to any such committee. Any committee so formed shall, in the exercise of the powers so delegated, conform to the provisions of the Act, and this MOI, unless otherwise stated in the Committee Terms of Reference, as approved by the Board.

26.2 **Eligibility.** Any such Board committee may comprise Members who are not Directors, provided that any such Member must not be ineligible or disqualified from being a Director (including the provisions of clause 19.1).

26.3 **Authority.** A committee may make recommendations to the Board on any matter within its remit, provided that the final decision on such matters shall be taken by the Board.

26.4 **Meetings of Board committees.** Meetings and other proceedings of a committee of the Board consisting of more than 1 Member shall be governed by the provisions of this MOI regulating the meetings and proceedings of Directors, unless otherwise stated in the Committee Terms of Reference, as approved by the Board.

27 MANAGEMENT

27.1 **Board controls.** Control and management of SATSA will vest in the Board.

27.2 **Management.** The day-to-day management of SATSA will:

27.2.1 be subject to the policies and principles determined from time to time by the Board; and

27.2.2 be the responsibility of the Management Committee assisted by the Secretariat.

28 PAYMENTS AND FINANCIAL ASSISTANCE TO DIRECTORS

28.1 **Payments to Directors.** SATSA shall not, directly or indirectly, pay any portion of its income or transfer any of its assets, regardless how the income or asset was derived, to any person who is or was a Director, or a person appointing a Director except: -

28.1.1 as reasonable:

28.1.1.1 remuneration for goods delivered or services rendered to, or at the direction of, SATSA;
or

28.1.1.2 payment of, or reimbursement for, expenses incurred to advance a stated object of SATSA;

28.1.2 as a payment of an amount due and payable by SATSA in terms of a *bona fide* agreement between SATSA and that Director;

- 28.1.3 as a payment in respect of any rights of that Director, to the extent that such rights are administered by SATSA in order to advance a stated object of SATSA; or
- 28.1.4 in respect of any legal obligation binding on SATSA.
- 28.2 **Financial assistance.** SATSA shall not provide a loan to, secure a debt or obligation of, or otherwise provide direct or indirect financial assistance to a Director of SATSA, or to a person related to any such Director.

29 PERSONAL INTERESTS OF DIRECTORS

- 29.1 **Directors.** For the purposes of this clause 29, the term "**Director**" includes an alternate Director, a prescribed officer, and a person who is a Member of a committee of the Board, irrespective of whether or not the person is also a Member of the Board.
- 29.2 **Personal interest.** At any time, a Director shall disclose any personal financial interest, or any such interest which may place the Director in a position of conflict with other legal obligations, in advance, by delivering to the Board, a notice in writing setting out the nature and extent of that personal financial, or conflicting interest, to be used generally by SATSA until changed or withdrawn by further written notice from that Director. A Director may also update such disclosures prior to any meeting of the Board, such disclosure which is to be recorded as part of the official record of the meeting.
- 29.3 **Disclosure.** If a Director has a personal financial interest, or any such interest which may place the director in a position of conflict with other legal obligations, in respect of a matter to be considered at a meeting of the Board, or knows that a related person has a personal financial or conflicting interest in the matter, the Director:
- 29.3.1 must disclose the personal financial or conflicting interest and its general nature before the matter is considered at the meeting;
- 29.3.2 must disclose to the meeting any material information relating to the matter, and known to the Director;
- 29.3.3 may disclose any observations or pertinent insights relating to the matter if requested to do so by the other Directors;
- 29.3.4 if present at the meeting, depending on the nature of the conflict, must leave the meeting immediately after making any disclosure contemplated in clauses 29.3.2 or 29.3.3;
- 29.3.5 must not take part in the consideration of the matter, except to the extent contemplated in clauses 29.3.2 or 29.3.3;
- 29.3.6 while absent from the meeting in terms of this clause 29.3:
- 29.3.6.1 is to be regarded as being present at the meeting for the purpose of determining whether sufficient Directors are present to constitute a quorum; and

29.3.6.2 is not to be regarded as being present at the meeting for the purpose of determining whether a resolution has sufficient support to be adopted; and

29.3.7 must not execute any document on behalf of SATSA in relation to the matter unless specifically requested or directed to do so by the Board.

29.4 **Conflicts.** If a Director acquires a personal financial or conflicting interest in an agreement or other matter in which SATSA has a material interest, or knows that a related person has acquired a personal financial or conflicting interest in the matter, after the agreement or other matter has been approved by SATSA, the Director must promptly disclose to the Board, the nature and extent of that personal financial or conflicting interest, and the material circumstances relating to the Director or related person's acquisition of that personal financial or conflicting interest.

29.5 **Board decisions.** A decision by the Board, or a transaction or agreement approved by the Board, is valid despite any personal financial or conflicting interest of a Director or person related to the Director, only if:

29.5.1 it was approved following the disclosure of the personal financial or other interest in the manner contemplated in this clause; or

29.5.2 despite having been approved without disclosure of that personal financial or conflicting interest, it has been so declared by a court.

30 INDEMNITY

30.1 **Director.** For the purposes of this clause 30, "Director" includes a former Director, an alternate Director, a prescribed officer and a person who is a Member of a committee of the Board, irrespective of whether or not the person is also a Member of the Board.

30.2 **Indemnity.** SATSA may:

30.2.1 advance expenses to a Director or directly or indirectly indemnify a Director in respect of the defence of legal proceedings, as set out in section 78(4);

30.2.2 indemnify a Director in respect of liability as set out in section 78(5); and/or

30.2.3 purchase insurance to protect SATSA or a Director or Officer as set out in section 78(7), and the power of SATSA in this regard is not limited, restricted or extended by this MOI.

30.3 **Former Directors.** The provisions of this clause 30 shall apply *mutatis mutandis* in respect of any former Director, prescribed officer or Member of any committee of the Board.

PART FIVE : GENERAL PROVISIONS**31 LOSS OF DOCUMENTS**

SATSA shall not be responsible for the loss in transmission of any document sent through the post either to the registered address of any Member or to any other address requested by the Member.

32 NOTICES

32.1 *Delivery of notices.* If a notice is required or permitted in terms of the Act, this MOI or the rules:

32.1.1 to be given, published or delivered to any person, it is sufficient if the notice is transmitted electronically directly to that person in a manner and form such that the notice can conveniently be printed by the recipient within a reasonable time and at a reasonable cost; or

32.1.2 to be delivered, such notice may be delivered in the manner set out in Table CR 3. A copy of Table CR 3 in force at the date of adoption of this MOI is attached as **Schedule 4 (Notices)**.

32.2 *Delivery of document, record or statement.* If a document, record or statement, other than a notice contemplated in 32.1, is required in terms of the Act, this MOI or the rules:

32.2.1 to be published, provided or delivered, it is sufficient if:

32.2.1.1 an electronic original or reproduction of that document, record or statement is published (including publication on SATSA's Website), provided or delivered by electronic communication in a manner and form such that the document, record or statement can conveniently be printed by the recipient within a reasonable time and at a reasonable cost; or

32.2.1.2 a notice of the availability of that document, record or statement, summarising its content and satisfying any prescribed requirements, is delivered to each intended recipient of the document, record or statement, together with instructions for receiving the complete document, record or statement; or

32.2.2 to be delivered, such document, record or statement may be delivered in the manner set out in Table CR 3. A copy of Table CR 3 as applicable at the date of adoption of this MOI is attached as **Schedule 4 (Notices)**.

32.3 *Date of delivery.* A document delivered by a method listed in the second column of Table CR 3, attached as **Schedule 4 (Notices)**, must be regarded as having been delivered to the intended recipient on the date and at the time shown opposite that method, in the third column of that table.

32.4 ***Fax and e-mail.*** A document that is delivered by fax must include a cover page, and a document that is transmitted by electronic mail must be accompanied by a cover message, in either case setting out:

32.4.1 the name, address, and telephone number of the sender;

32.4.2 either:

32.4.2.1 the name of the person to whom it is addressed, and the name of that person's attorney, if applicable; or

32.4.2.2 the name or description of the class of intended recipients, if the document is being delivered generally to all the Members of a particular class of persons; \

32.4.3 the date of the transmission; and in the case of a fax transmission:

32.4.3.1 the total number of pages sent, including the cover page; and

32.4.3.2 the name and telephone number of the person to contact if the transmission is incomplete or otherwise unsuccessful.

32.5 ***Signature to notice.*** The signature to any notice given by SATSA may be written or printed, or partly written and partly printed.

32.6 ***Substantive compliance.*** If a manner of delivery of a document, record, statement or notice is prescribed in terms of the Act, this MOI or the rules for any purpose:

32.6.1 it is sufficient if the person required to deliver such a document, record, statement or notice does so in a manner that satisfies all of the substantive requirements as prescribed; and

32.6.2 any deviation from the prescribed manner does not invalidate the action taken by the person delivering that document, record, statement or notice, unless the deviation:

32.6.2.1 materially reduces the probability that the intended recipient will receive the document, record, statement or notice; or

32.6.2.2 is such as would reasonably mislead a person to whom the document, record, statement or notice is, or is to be, delivered.

33 COMPANY RECORDS

33.1 ***Retention.*** SATSA shall cause to keep such company records as are prescribed by the Act and the Regulations in the manner prescribed by the Act and Regulations in a written form.

33.2 ***Location.*** SATSA records shall be kept at, or shall be accessible from, SATSA's registered office, or such other place in the Republic of South Africa that the Board thinks fit. Should SATSA records be kept in a location other than the registered office, SATSA shall file a notice setting out the location at which SATSA records may be accessed.

33.3 **Access to information.** A Member has no rights to information pertaining to SATSA other than those set out in the Act.

34 **WINDING UP OR DISSOLUTION**

Despite any provision in law or agreement to the contrary, upon the winding-up or dissolution of SATSA: -

- 34.1 no past or present Director of SATSA or person nominating a Director of SATSA, is entitled to any part of the net value of SATSA after its obligations and liabilities have been satisfied;
- 34.2 the unexpired portion of Membership fees, if any, shall be reimbursed to such Members out of any monies or assets left; and;
- 34.3 the assets of SATSA remaining after the satisfaction of all its liabilities shall be transferred to any organisation having objects similar to SATSA's objects to be determined by the Directors at or before the time of its winding up, deregistration or dissolution.

**Schedule 1 :
Membership**

1 DEFINITIONS

This Schedule shall be subject to the definitions and rules of interpretation set out in the MOI. In addition, the following terms shall have the meanings ascribed to them:

- 1.1 "**Application Fee**" means the once-off administrative application fee payable by applicants for Membership, as such fee is determined by the Management Committee from time to time and published on the SATSA Website;
- 1.2 "**Application Form**" means the online (or printed application form), the format and content of which shall be determined by the Management Committee from time to time;
- 1.3 "**CIPC**" means the Companies and Intellectual Property Commission;
- 1.4 "**Membership Fees**" means the annual Membership fees payable by Members (according to Tier), as such fee is determined by the AGM from time to time and published on the SATSA Website;
- 1.5 "**Personal Information**" has the meaning given to the term in the Protection of Personal Information Act, 2013;
- 1.6 "**Special Levies**" means special ad hoc levies imposed by the Board on Members to cover for any extraordinary expenditure that may arise in respect of the affairs of SATSA; and
- 1.7 "**Tourism Business**" means any corporate entity, association not for gain, trust, partnership or sole proprietorship which has a financial interest in the Industry and/or is actively engaged in the promotion of tourism to and/or within Southern Africa.

2 QUALIFICATIONS FOR MEMBERSHIP**2.1 Qualification.**

- 2.1.1 Membership of SATSA is open to any Tourism Business in Southern Africa, which complies with the requirements for Membership set out in this **Schedule 1 (Membership)**.
- 2.1.2 Members from countries outside Southern Africa may be accepted on an ad hoc basis, at the discretion of the Management Committee, based on individual motivation and other SATSA Member references. They will be Non-Voting Members and not be eligible for bonding.
- 2.1.3 Each Member must be financially stable and display the highest levels of integrity, as determined by the Management Committee in its discretion, and must supply all information required in terms of the Application Form.

3 MEMBERSHIP APPLICATION

- 3.1 Application for Membership of SATSA shall be made via the SATSA website at www.satsa.co.za ("**SATSA Website**") and Application Forms shall be lodged, together with all required supporting documents:
- 3.1.1 by hand (including courier) at the offices of the SATSA Secretariat, whose address shall be published on the SATSA Website; or
- 3.1.2 online via the SATSA Website.
- 3.2 The Application Form, duly completed and signed off, must be accompanied by:
- 3.2.1 proof of payment of the Administration Fee, and, upon approval of the application, the Membership Fees;
- 3.2.2 in the case of:
- 3.2.2.1 corporate entities registered with CIPC, a CIPC disclosure certificate reflecting the registered details, or similar confirmation from a similar authority in the country of incorporation;
- 3.2.2.2 a trust, the letters of authority issued by the Master of the High Court, or similar authority in the country of incorporation;
- 3.2.2.3 partnership, an affidavit signed by all partners confirming the status of the business and the right to use the name under which the business trades;
- 3.2.2.4 a sole proprietorship, an affidavit signed by the sole proprietor confirming the status of the business the right to use the name under which the business trades;
- 3.2.3 satisfactory proof (including by way of affidavit) that the Applicant is entitled to use the trade name under which it conducts its business (should this differ from the registered business name);
- 3.2.4 proof that the business is registered for tax purposes, in the case of sole proprietorship, personal income tax proof will be required;
- 3.2.5 proof of payroll tax - Pay-As-You-Earn (PAYE), Skills Development Levy (SDL) and Unemployment Insurance Fund (UIF);
- 3.2.6 proof that the business is registered for VAT should turnover exceed R1 million;
- 3.2.7 a copy of the identity document of nominated representative of the applicant who will be responsible for all communication with SATSA ("**Nominated Representative**");
- 3.2.8 proof of residency and work permit if the Nominated Representative of the applicant is not a citizen of the country in which the applicant is operative;

- 3.2.9 signed SATSA Code of Conduct and Legal Compliance, as such Code is amended by the Board from time to time and published on the SATSA Website, stating;
 - 3.2.9.1 full adherence to the SATSA Code of Conduct; and
 - 3.2.9.2 awareness of regulatory requirements applicable to the applicant's business. SATSA reserves the right to request documentary proof if required
 - 3.2.10 signed financial compliance, including
 - 3.2.10.1 a solvency report to be completed by the applicant's auditor or statutorily appointed accounting officer; or
 - 3.2.10.2 copies of the applicant's audited financial statements; or
 - 3.2.10.3 latest management reports of the applicant; or
 - 3.2.10.4 in the case of a sole proprietor, they shall provide a copy of their latest tax return;
 - 3.2.11 signed insurance compliance stating that the applicant is sufficiently insured for the categories of operation;
 - 3.2.12 signed third-party insurance and legal compliance stating that when vehicles are hired-in or sub-contracted, these vehicles will have the correct insurances, licences and are well maintained;
 - 3.2.13 operating licences (or proof of application therefor) for operators whose services include transport of clients; and
 - 3.2.14 Homologation certificates of all converted or modified vehicles as required by law
 - 3.2.15 information regarding all divisions and subsidiaries.
- 3.3 The Secretariat reserves the right to examine which levels, classification and categories the applicant has applied for and, if necessary, amend the application and notify the Applicant. In the event of any disputes regarding Membership Tier, classification or category, the decision of the Management Committee of SATSA shall be final.
- 3.4 Incomplete Membership Applications will lapse 6 months after the date on which the first documents are submitted and any Application Fees paid will be forfeited.
- 3.5 The decision to admit or reject an applicant as a Member shall be at the discretion of the Secretariat, which may, on reasonable grounds, waive any requirement or request additional information, provided that where an application is rejected, the applicant shall be given written reasons why its application was rejected and shall, where appropriate, be given 30 days to rectify any defect in its application or submit any missing documentation, on which the decision to reject the application was taken.
- 3.6 Should any applicant wish to appeal the rejection of its application, it shall lodge written reasons why it believes its application has been erroneously rejected ("**Notice of Appeal**")

with the Secretariat within 30 days of the date of the notice of rejection. Such appeal shall be considered by the Management Committee within a reasonable period of receipt of the Notice of Appeal.

4 TIERS OF MEMBERSHIP

4.1 Membership shall be applied for and if approved, a Member shall be placed in one of the following Membership Tiers. All the Tiers are entitled to enjoy SATSA Member benefits and are full Voting Members:

4.1.1 **Introductory Tier Membership:** is only open to:

4.1.1.1 new Members;

4.1.1.2 based in South Africa;

4.1.1.3 with a gross annual turnover of under R5 million;

and is only available for the first two years of Membership, where after the relevant Member must graduate to a higher Tier of Membership, unless the Secretariat determines, on receipt of written motivation from such a Member, to permit such a member to extend its Membership on this Tier for a maximum period of two additional years. Existing Members may not downgrade from a higher Tier to Introductory Tier Membership. All requirements stated in 4.1.1.1 to 4.1.1.3 must be met for qualification.

4.1.2 **First Tier Membership:** is available to:

4.1.2.1 non-profit organisations registered in Southern Africa; associations and government entities and

4.1.2.2 Tourism Businesses with an annual turnover under the relevant threshold for this Tier established by the Management Committee from time to time and published on the SATSA Website.

4.1.3 **Second Tier Membership:** applies to Tourism Businesses with a gross annual turnover falling between the relevant thresholds for this Tier established by the Management Committee from time to time and published on the SATSA Website

4.1.4 **Third Tier Membership:** applies to Tourism Businesses with a gross annual turnover exceeding the threshold for this Tier established by the Management Committee from time to time and published on the SATSA Website.

4.1.5 **Strategic Partner:** applies to Businesses that make a substantial financial contribution to SATSA. Strategic Partners are entitled to enjoy SATSA Member benefits and are full Voting Members.

4.2 SATSA relies on the information provided by Members in their application and annual review financial documentation to determine their applicable Tier levels. Should it be found that a Member has misrepresented their financial information, such Member:

4.2.1 shall be liable for any fees which would have been payable, but for the misrepresentation, for the full period of such misrepresentation, plus a 100% penalty on such amount; and

4.2.2 may be suspended or expelled by the Management Committee.

5 SUBSIDIARIES / DIVISIONS

5.1 Subsidiaries (as such term is defined in the Act) and/or Divisions of Members may be added

5.2 The Member shall keep the information relating to its subsidiaries/divisions up to date and it shall promptly notify SATSA of any changes to the information relating to its subsidiaries/divisions.

5.3 The admission of subsidiaries is considered on an individual basis by the Management Committee, based on a motivation letter from the holding company Member indicating management, financial and insurance control.

5.4 The SATSA Membership Tier of the main Member will be determined on the total turnover of all subsidiaries / divisions combined

5.5 Only subsidiaries/divisions listed with SATSA will qualify for benefits, bonding and a SATSA Membership certificate.

6 MEMBERSHIP FEES

6.1 Membership fees shall be as determined from time to time by SATSA at its AGM or at a General Meeting called for that purpose. The Board shall annually make proposals to the AGM or at any time to such General Meeting as to the Membership fees to be determined as aforesaid.

6.2 Subject to the approval of the Board, a portion of Membership fees may be disbursed to Chapters to cover certain of their expenses.

6.3 Membership shall run from 01 January to 31 December each year.

6.4 Annual Membership Fees are payable by the Member annually by no later than the last day of March. Failure to do so shall result in the Membership being suspended and notification of such suspension shall be communicated to all SATSA Members.

6.5 New Members who join during the financial year will pay a pro-rata Membership Fee for their first period of Membership, where after they shall be liable for the full annual Membership Fee.

6.6 The Application Fee and annual Membership Fees are non-refundable and a Member shall not be entitled to a refund or credit of Membership Fees where the Member has been expelled, its Membership suspended or the Member has otherwise been disciplined.

6.7 The Board may from time to time, subject to a Special Resolution of the Board, impose a Special levy on the Members.

7 MEMBER CERTIFICATES

7.1 **Members to be certificated.** Within 30 days of payment by a Member of its Membership Fees and completion of the annual review (for existing Members) whichever takes place last, SATSA shall issue the Member with a Membership certificate evidencing the fact that such person is a Member of SATSA. Certificates will be issued electronically only.

7.2 **Requirements for Member certificates.** A Member certificate:

7.2.1 must state on its face:

7.2.1.1 the name of SATSA;

7.2.1.2 the name of the Member;

7.2.1.3 the number of the Member

provided that any Member certificate issued by SATSA shall not be invalidated solely by reason of its failing to comply with the aforesaid specifications;

7.2.2 must be signed by two persons authorised by the Management Committee, which signatures may be affixed or placed on the certificate by physical or electronic means; and

7.2.3 is proof that the named Member is a Member of SATSA, in the absence of evidence to the contrary.

8 DATA PRIVACY

8.1 By applying for Membership and paying its Membership Fees, each Member acknowledges that:

8.1.1 as a consequence of its Membership of SATSA, it is necessary for SATSA to collect, receive, record, organise, collate, store, update or modify, retrieve or use its Personal Information and those of any other contacts provided and to disseminate all or any part of this information to third parties for the purposes of furthering the aims and objectives of SATSA;

8.1.2 it consents to the processing and further processing of any Personal Information by SATSA for the purposes of furthering the aims and objectives of SATSA;

8.1.3 it has acquired the consent of all persons whose Personal Information it provides to SATSA to the processing and further processing of such information for the purposes of furthering

the aims and objectives of SATSA. Each Member indemnifies and holds SATSA harmless against any claim arising out of its processing of any Personal Information;

8.1.4 SATSA shall protect the Personal Information according to its data protection policy, and will not distribute or publish any Personal Information for reasons other than those related to furthering the aims and objectives of SATSA, unless the Member gives its consent in writing;

8.1.5 it is imperative that SATSA holds up to date records about its Members and accordingly each Member is required to notify SATSA of any changes to its Personal Information; and

8.1.6 it, or its Representatives may at any time, on reasonable notice ask for access to their Personal Information held by SATSA in order to confirm that it is accurate;

8.2 Each Member agrees to receive information and news from SATSA as well as their names being shared with all other SATSA Members, verified 3rd parties (i.e. South Africa Tourism) and on the SATSA Website.

9 SPECIAL MEMBER'S BENEFITS

Members of all levels will be considered for special benefit. Such benefits will, at the sole discretion of the Management Committee, be granted to Members based on their Membership status, Tier and relevance of the benefit.

10 ANNUAL REVIEW OF MEMBERSHIP

Members are required to complete an online annual review by no later than the last day of March each year. The prescribed online review form duly completed and signed off electronically (which includes the SATSA Code of Conduct and Legal Compliance, as such Code is amended by the Board from time to time, must be accompanied by:

10.1 Signed financial compliance

10.2 Signed insurance compliance stating that the Member is sufficiently insured for the categories of operation; and

10.3 Updated subsidiary/division information.

11 RESIGNATION, TERMINATION AND SUSPENSION OF MEMBERS

11.1 **Member Resignation.** Members may resign their Membership of SATSA by completing the SATSA Member Resignation Form and submitting this to their relevant Member Relationship Consultant within the Secretariat.

11.2 **Voluntary Suspension.** Membership may be voluntarily suspended by the Member based on the submission of the SATSA Voluntary Suspension Form and negotiated on merit per case with the Management Committee.

- 11.3 **SATSA Suspension.** The failure of a Member to pay annual Membership fees and any other costs incurred as a result of additional services offered by SATSA by the due date as defined by Board from time to time will result in automatic suspension of Membership by SATSA. SATSA may also suspend Members who are under investigation by the Management Committee or the Appeal Committee.
- 11.4 **SATSA Termination.** Membership may be terminated if such Member:
- 11.4.1 ceases to hold the required qualifications for Membership; or
 - 11.4.2 is found guilty of a breach of the SATSA Code of Conduct and Legal Compliance; or
 - 11.4.3 be provisionally or finally wound up, whether voluntarily or compulsory; or
 - 11.4.4 make any arrangement with its creditors, or be placed under business rescue;
 - 11.4.5 receive a notice from the Companies and Intellectual Property Commission to show cause why it should be permitted to continue to carry on its business, or trade or requesting it to cease carrying on business or trading and fail to discharge such notice to the satisfaction of the Commission;
 - 11.4.6 cease or threaten to cease to carry on its normal line of business in the Republic of South Africa or default or threaten to default in the payment of its liabilities generally, be unable to pay its debts as described in Section 345 of the Companies Act, 1973, or commit any act or omission which would, in the case of an individual, be an act of insolvency in terms of the Insolvency Act, 1936; or
 - 11.4.7 have any judgment granted against it (which is not subject to appeal or, if it is, such appeal is not diligently pursued) or the passing of any resolution, for the dissolution and/or liquidation of such Member except for the purposes of amalgamation or reconstruction on terms approved in advance by SATSA in writing;
 - 11.4.8 or any of its Directors be found guilty of any crime involving dishonesty, bribery or corruption or otherwise be guilty of conduct which in the reasonable opinion of SATSA brings, or is likely to bring, SATSA into disrepute

12 CHANGE OF OWNERSHIP OR NAME OF MEMBER AND TRANSFER OF MEMBERSHIP

- 12.1 Each Member shall notify the Secretariat forthwith in writing of any change in its details, including without limitation any change in the shareholding, directors, members, trustees, etc., changes of corporate or trading name, along with the relevant documentation evidencing such change. Failure to notify the Secretariat of any changes could result in the suspension of the Member's Membership.
- 12.2 Membership is non-transferable and if a Member undergoes a change of control a new application will be required.

12.3 If the Management Committee in its discretion is of the opinion that a Member's name or trading name conflicts with the name or trading name of any other person in the Industry, the Committee at its sole discretion may instruct the Member, to change its name, and the particular Member shall abide by such instruction within a reasonable time.

12.4 Membership of SATSA shall not be transferable

13 REPRESENTATIONS

No representations or public announcements of a policy nature which deviate from the approved policy of SATSA, shall be made by Members on behalf of SATSA to any person, body or institution unless the Board has given its prior written consent to such representations being made.

14 DISCIPLINING OF MEMBERS

14.1 The Management Committee shall be responsible for disciplining Members who breach the terms of this MOI, the SATSA Code of Conduct and Legal Compliance or any other directives issued by the Board from time to time or brings the good reputation of SATSA into disrepute.

14.2 Upon receipt of a complaint supported by valid evidence and completed on the SATSA Complaint Form the Secretariat shall investigate the matter and afford the relevant Member ("**Accused Member**") the opportunity to rectify the matter and/or respond in writing

14.3 Should the issue not be resolved, the Secretariat will escalate the matter to the Management Committee

14.4 The Management Committee may, should it so decide, notify the relevant Accused Member of its decision to institute disciplinary proceedings, outline the nature of the complaint / charge and give the Accused Member the opportunity to respond to the charges put to it.

14.5 In any case in which the subject of a complaint is a Member of the Management Committee, the subject shall be asked to excuse themselves from the process

14.6 The Management Committee will have the right to suspend or terminate Membership following disciplinary proceedings

14.7 Should multiple complaints be received against the same person or company for the same incident, the Management Committee may call for a disciplinary process, regardless of whether the matter was rectified previously

14.8 Should there not be agreement on the outcome of the Management Committee decision the matter may be escalated to the Appeals Committee within 7 days

14.9 The decision of the Appeals Committee in any matter referred to it shall be final and binding on all parties

- 14.10 SATSA may publish details of any misconduct or offence together with the outcome and the identity of the persons or company concerned to Members
- 14.11 SATSA will not intervene in matters relating to non-Member companies but should sufficient proof of wrongdoing be provided, SATSA will publish notice of such to Members.
- 14.12 SATSA will not intervene in legal or financial disputes unless a legal outcome has been obtained

**Schedule 2 :
Chapter Guidelines**

1 DEFINITIONS

- 1.1 In this Schedule, the following terms shall have the meanings ascribed to them:
- 1.1.1 "**Chapter Committee**" means the body responsible for management and administration of a Chapter, constituted on the basis set out in paragraph 8 below;
- 1.1.2 "**Chapter Member**" means a Member of SATSA who is a Member of a particular Chapter;
- 1.1.3 "**Chapter Officers**" means the Chapter Chairperson, Vice Chairperson and Secretary of the Chapter;
- 1.2 Where provisions of the MOI are referred to as being applicable to the affairs of a Chapter:
- 1.2.1 "**AGM**" in the MOI shall refer to the Chapter AGM;
- 1.2.2 "**Board**" in the MOI shall refer to the Chapter Committee;
- 1.2.3 "**Chairperson**" in the MOI shall refer to the Chapter Chairperson;
- 1.2.4 "**Director**" in the MOI shall refer to a Member of the Chapter Committee
- 1.2.5 "**Members**" in the MOI shall refer to Chapter Members;

2 ESTABLISHMENT

The Board shall establish Chapters in accordance with clause 15 of the MOI. An up to date list of current Chapters will be published on the SATSA Website from time to time.

3 MEMBERSHIP

- 3.1 Any Member of SATSA may participate in the affairs of a Chapter to which it belongs. In this regard:
- 3.1.1 Membership of geographic Chapters shall be automatic based on the registered address of the Member concerned; and
- 3.1.2 Where a Member has a presence in various provinces they will also be allocated to these Chapters, provided that subsidiary/division information is fully provided, and will have voting rights in the Chapter but will only be counted as a division or subsidiary for the specific Chapter.
- 3.1.3 Membership of special interest / sector / profile Chapters shall be based on the Member falling within that specific Chapter's sphere of interest or on request to the Chapter Committee to participate.
- 3.2 The SATSA Secretariat shall notify each Chapter of who its Members, in good standing, are from time to time.

4 CHAPTER MEETINGS

Meetings of Chapters shall be held according to the provisions set out in clause 10 of the MOI, *mutatis mutandis*, provided that the provisions of clause 10.5 shall be amended to 14 days' notice period and that provisions of clause 10.6.4 shall not apply in respect of the Chapter AGM. At least 2 meetings shall be held annually, one being a Chapter AGM, for a Chapter to remain active.

5 CHAPTER AGM

Chapter AGM's shall be held according to the provisions set out in clause 11 of the MOI, provided that the following matters shall not be dealt with:

- 5.1 a Treasurer's / Auditors' Report;
- 5.2 a CEO's Report
- 5.3 consideration of amendments to the MOI and the ratification of any rules implemented by the Board; or
- 5.4 determination of Membership fees for the ensuing year.

6 VOTING AT CHAPTER MEETINGS

Voting at Chapter Meetings shall take place on the basis set out in clause 12 of the MOI, *mutatis mutandis*.

7 CHAPTER RESOLUTIONS

Chapter Resolutions shall be taken on the basis set out in clause 13 of the MOI, *mutatis mutandis*.

8 CHAPTER COMMITTEE

- 8.1 The affairs of each Chapter shall be managed by a duly appointed Chapter Committee, comprising a Chapter Chairperson and such other officers as may be required, such as a Chapter Vice-Chairperson and/or a Chapter Secretary together with any further Members elected by the Chapter Members at the Chapter AGM.
- 8.2 The Chapter Committee shall be elected by the Chapter Members at the Chapter AGM. Chapter Officers will be appointed from within the Members of the Committee.
- 8.3 Nominations of candidates eligible for election to the Chapter Committee shall be made in writing, duly signed by a Voting Member of the Chapter and accepted by the nominee, both in good standing, and submitted to the Chapter Chair before 15:00 on the 7th Day prior to the Chapter AGM or by a date and time determined by the Chapter Committee.
- 8.4 Nominees must:
 - 8.4.1 be employed by a Member (though not necessarily by the nominating Member);

- 8.4.2 be involved in the Industry;
- 8.4.3 not be disqualified from acting as a Director in terms of the Act; and
- 8.4.4 be fit and proper persons.
- 8.5 The names of all validly nominated nominees shall be announced at the Chapter AGM. If there are more nominees than the number of vacancies on the Chapter Committee, a vote shall be held and the candidates with the most votes from Voting Members shall be appointed to the Chapter Committee.
- 8.6 The Chapter Chairperson shall be an *ex officio* Director of the Board of SATSA, and in the absence of the Chapter Chairperson, the Vice-Chairperson of the Chapter shall serve as his/her alternate on the SATSA Board.
- 8.7 The term of office for the Chapter Chairperson will be 3 years. The Chairperson may not be re-elected more than twice in order that he/she does not hold office for more than six (6) years in succession.
- 8.8 The other elected Members of the Committee will also serve for a 3-year term. They (or any one of them) may be re-elected at the Chapter AGM and may serve as many years as they are re-elected.
- 8.9 The AGM of a Chapter shall be held prior to the AGM of SATSA, so as to enable the Chapter to put forward the name of its representative on the Board in time for the SATSA AGM.
- 8.10 Should a vacancy occur on the Chapter Committee, the Chapter Chairperson may approach candidates and upon presentation to and approval from the Chapter Committee, co-opt a Chapter Member to fill such vacancy.
- 8.11 A Chapter Chairperson can be removed from office by:
- 8.11.1 a Special Resolution of the Board that such person be removed; or
- 8.11.2 a two thirds majority vote of all the Members of the Chapter Committee, provided that 21 days' written notice of the proposed removal from office has been given by a Chapter Committee Member to all Members of the Chapter Committee, in which event the Chapter Vice-Chairperson shall become the Chairperson for the unexpired period of the Chapter Chairperson's term of office. If the Vice-Chairperson is unable or unwilling so to act, the Committee from its own ranks shall elect a new Chairperson whose term of office shall be as aforesaid. The procedure for the removal of a new Chairperson shall *mutatis mutandis* be as aforesaid;
- provided that should the deposed Chapter Chairperson wish to appeal such removal, he or she may submit an appeal to the Appeals Committee.
- 8.12 A Chapter Chairperson shall not be entitled to hold the position of SATSA Chairperson and Chapter Chairperson simultaneously. If a Chapter Chairperson is appointed as the SATSA

Chairperson pursuant to clause 20 of the MOI, the Chapter Committee shall forthwith appoint another person to act as Chapter Chairperson.

9 POWERS AND DUTIES OF THE CHAPTER COMMITTEE

The Chapter Committee shall have the power to:

- 9.1 provide direction on Chapter matters;
- 9.2 represent SATSA in its dealings with the local authorities in line with the directions of the Secretariat;
- 9.3 represent SATSA in respect of the general local public on behalf of SATSA;
- 9.4 appoint such committees and subcommittees, which shall report and be responsible to the Chapter Committee, as it deems necessary to achieve and promote the objectives of the Chapter and SATSA;
- 9.5 assist in settling disputes between Chapters Members and/or SATSA Members and/or SATSA; and
- 9.6 do all such things generally as may be necessary or desirable to achieve the objectives of SATSA and the Chapter.

**Schedule 3 :
Organisational Structure and Process**

1 MANAGEMENT COMMITTEE

- 1.1 The Management Committee will comprise:
- 1.1.1 The SATSA Chairperson;
 - 1.1.2 The Vice-Chairperson;
 - 1.1.3 The Treasurer;
 - 1.1.4 The Chief Executive Officer; and
 - 1.1.5 The Chief Operating Officer.
- 1.2 The Management Committee shall have the power to:
- 1.2.1 provide strategic guidance for the day to day operational and financial requirements of SATSA;
 - 1.2.2 ensure that the financial statements, books and accounts of SATSA are maintained and presented on the basis contemplated in this MOI;
 - 1.2.3 sign resolutions on behalf of SATSA;
 - 1.2.4 assign such duties and delegate such of its powers to the established Board Committees as it may deem fit, with these being included in the Committee Terms of Reference as approved by the Board
 - 1.2.5 assign such duties and delegate such of its powers to the Secretariat as it may deem fit;
 - 1.2.6 grant or refuse applications for Membership as described in Schedule 1;
 - 1.2.7 institute disciplinary proceedings against Members as described in Schedule 1;
 - 1.2.8 determine the powers and duties of personnel employed by SATSA; and
 - 1.2.9 approve unbudgeted expenditure to a limit of R100,000 per item.

2 SECRETARIAT

- 2.1 The Secretariat will comprise:
- 2.1.1 The Chief Executive Officer
 - 2.1.2 The Chief Operating Officer
 - 2.1.3 The Financial Manager
 - 2.1.4 Other permanent and contracted employees
- 2.2 The role of the Secretariat shall be, amongst others to:

- 2.2.1 manage the day to day administration, financial, communication, marketing and operational requirements of SATSA
- 2.2.2 operate such banking accounts as it may deem fit, provided that each Banking Account shall require at least two signatures, with one being from the Management Committee;
- 2.2.3 employ administrative staff to implement the decisions of the Board and Management Committee and provide administrative support to the CEO, COO;
- 2.2.4 manage the Membership application process;
- 2.2.5 manage Membership affairs, including ensuring all fees are paid and reviews are completed timeously, issuing of Membership Certificates, and responding to Membership enquiries;
- 2.2.6 administer any disciplinary or appeals processes;
- 2.2.7 undertake support of Chapters and Chapter Committees;
- 2.2.8 maintain all relevant Member and Chapter databases;
- 2.2.9 engage professionals and other external assistance and pay for services rendered in this regard;
- 2.2.10 investigate strategic partnerships, provisionally engage potential partners and present findings to the Board for approval;
- 2.2.11 Implement ad hoc partnership and projects
- 2.2.12 The CEO and COO shall be responsible for hiring and firing the staff, determining remuneration of the employees of the Secretariat and for ensuring that the Secretariat performs its role adequately.

3 APPEAL COMMITTEE

- 3.1 The Board shall establish an independent Appeal Committee as a subcommittee of the Board and comprising a minimum of 3 Board Members who do not sit on the Management Committee and who are chosen each time a matter needs to be addressed.
- 3.2 The Appeal Committee shall sit as and when matters are referred to it by Members, Chapters, the Secretariat or the Management Committee.
- 3.3 All appeals lodged shall be heard by a panel of three Members of the Appeal Committee, within 30 days of any such appeal being lodged.
- 3.4 If at least 2 Members of the Appeal Committee are unavailable to hear an appeal, the Appeal Committee may co-opt ad hoc Members, who must be Members of the Board who are not Members of the Management Committee.
- 3.5 **Process:**

- 3.5.1 Within 14 days after a dispute has been referred by any Party to the Appeal Committee, the Appeal Committee shall require the Parties to submit in writing their respective arguments with regard to the dispute. The Appeal Committee shall, in his absolute discretion, consider whether a hearing is necessary in order to resolve the dispute.
- 3.5.2 The Appeals Committee shall set the date for the hearing, choose the venue for the hearing and determine all matters regarding any aspect of the hearing. Moreover, the Appeals Committee can decide whether at the hearing the Parties are to give oral evidence or confine themselves to presenting their cases in writing or by some other appropriate procedure. In this regard, the Appeals Committee must be guided by considerations of fairness, the cost-effective resolution of the appeal, and the need to resolve the appeal quickly.
- 3.5.3 The Appeals Committee shall provide both Parties with a written decision on the dispute, within 14 days of the conclusion of the hearing or referral (or such other period as the Parties may agree after the referral). The Appeals Committee shall give its reasons for the award, if so requested by either Party.
- 3.5.4 The Appeals Committee's costs of any referral shall be borne on the basis specified by the Appeals Committee or, if not specified, equally by the Parties. Each Party shall bear its own costs arising out of the referral, including its legal costs and the costs and expenses of any witnesses.
- 3.5.5 Should any Party fail to co-operate with the Appeals Committee with the result that in the view of the Appeals Committee such default or omission prejudices the adjudication process, then the Appeals Committee can either: -
- 3.5.5.1 give that Party written notice that unless it remedies the default or omission within a given time, it will forfeit the right to continue to participate in the adjudication; or
- 3.5.5.2 warn the Party in writing that its default or omission may make it liable to a punitive order of costs irrespective of whether it succeeds in the adjudication or not and such punitive award of costs may include an order of attorney and own client costs.
- 3.5.6 The Appeals Committee's decision shall be final and binding on the Parties.

4 BUDGETS

- 4.1 The CEO shall procure that every year by no later than 60 days prior to the end of each financial year of SATSA, a proposed annual budget is submitted to the Board for the conduct of the Business for the next financial year, in the form and level of detail determined by the Board from time to time ("**Draft Annual Budget**").
- 4.2 The Annual Budget shall include but not be limited to: -

- 4.2.1 a projected statement of financial position, statement of comprehensive income and statement of cash flows for the ensuing financial year; and
- 4.2.2 a capital expenditure budget and programme specifying amounts outstanding on approved capital expenditure brought forward from the prior year as well as proposed future capital expenditure commitments of SATSA.
- 4.3 The Board shall, in consultation with the Management Committee, evaluate and approve the Annual Budget at the first Board meeting for the ensuing financial year ("**Approved Budget**").
- 4.4 Until such time as the new Annual Budget has been approved, the Draft Budget, will be applied by the Board and Management Committee until adoption of the new Approved Budget.
- 4.5 The Board of Directors and Management Committee will take reasonable steps to ensure that SATSA will not incur expenditure otherwise than as stipulated in the Approved Budget and limits of the unbudgeted expenditure.

**Schedule 4:
Notices¹**

Nature of Person to whom the document is to be delivered	Method of Delivery	Date and Time of Deemed delivery
ANY PERSON	<p>By faxing the notice or a certified copy of the document to the person, if the person has a fax number or;</p> <p>By sending the notice or a copy of the document by electronic mail, if the person has an address for receiving electronic mail; or</p> <p>By sending the notice or a certified copy of the document by registered post to the person's last-known address; or</p> <p>By any other means authorised by the High Court; or</p> <p>By any other method allowed for that person in terms of the following rows of this Table.</p>	<p>On the date and at the time recorded by the fax receiver, unless there is conclusive evidence that it was delivered on a different date or at a different time.</p> <p>On the date and at the time recorded by the computer used by the sender, unless there is conclusive evidence that it was delivered on a different date or at a different time.</p> <p>On the 7th day following the day on which the notice or document was posted as recorded by a post office, unless there is conclusive evidence that it was delivered on a different day.</p> <p>In accordance with the order of the High Court.</p> <p>As provided for that method of delivery.</p>
ANY NATURAL PERSON	<p>By handing the notice or a certified copy of the document to the person, or to any representative authorised in writing to accept service on behalf of the person; or</p> <p>By leaving the notice or a certified copy of the document at the person's place of residence or business with any other person who is apparently at least 16 years old and in charge of the premises at the time; or</p> <p>By leaving the notice or a certified copy of the document at the person's place of employment with any person who is apparently at least 16 years old and apparently in authority.</p>	<p>On the date and at the time recorded on a receipt for the delivery.</p> <p>On the date and at the time recorded on a receipt for the delivery.</p> <p>On the date and at the time recorded on a receipt for the delivery.</p>

¹ Extracts of Table CR 3 (Delivery Of Notices In Terms Of Regulation 7)

