



PASA CONSTITUTION

1.

Name

1.1 The name of the Association shall be

THE PUBLISHERS' ASSOCIATION OF SOUTH AFRICA

(Abbreviation: "**PASA**")

1.2 The Association shall have power, at any time, to change its name (and/or the acronym "**PASA**") by which it is known, as it may deem appropriate, subject to due compliance with the formalities contemplated by clause 18 hereunder.

2.

Definitions and Interpretations

In this Constitution, unless the context clearly otherwise indicates:

2.1 "The Association" means the Voluntary Association referred to in Clause 1.1.

2.2 "The Association Funds" means the aggregate capital and income, howsoever invested and derived, which is vested in, and administered by the Association, from time to time.

2.3 "Executive Committee" means the body to be established in terms of clause 11, with executive power and responsibility in respect of administration of the Association.

2.4 "Founding Principles" means the basic Principles and Values set out in clause 3, upon which the Association is based.

- 2.5 "General Assembly" means the body referred to in clause 9, comprising all Ordinary Members of the Association, in whom are vested the powers and prerogatives therein contemplated.
- 2.6 "General Council" means the body to be constituted in terms of clause 10, in whom are vested the powers and prerogatives therein contemplated.
- 2.7 "The Members" means the businesses which are admitted to membership of the Association from time to time, as envisaged by clause 5.
- 2.8 "The Republic" means the Republic of South Africa.
- 2.9 "Sector Councils" means such sectoral and special interest bodies as may be constituted as such in terms of clause 12, in whom are vested the powers and prerogatives therein contemplated.
- 2.10 "South African Publishers" means all businesses, whether constituted as partnerships, companies, close corporations, or otherwise, as may from time to time be acknowledged by the General Council as eligible for Ordinary Membership, on the basis that the whole or a significant part of their usual business involves the production, distribution or marketing of books and related materials (including recorded, digital or electronic versions thereof) within the Republic; but shall also include the marketing and distribution within the Republic of imported books and such related materials, through business activities conducted and

established in the Republic.

- 2.11 Any reference to a specific Statute, or the Regulations prescribed thereunder, shall be deemed to refer to such Statute or Regulations as amended from time to time, or as substituted through its repeal and re-enactment or promulgation.
- 2.12 Words importing the singular shall be deemed to include the plural; words importing either gender or neuter shall be deemed to include both genders and neuter; and words importing persons shall be deemed to include bodies corporate, and vice versa in each instance.

3.

Founding Principles

The Association is founded by and on behalf of South African Publishers, in recognition of their particular role and responsibility in protecting and promoting the Bill of Rights which forms part of the Constitution of the Republic; with particular reference to the fundamental rights provisions which have reference to the Freedom of Expression, including the specific freedoms referred to therein, namely :

- "A. freedom of the press and other media;
- B. freedom to receive or impart information or ideas;
- C. freedom of artistic creativity;
- D. academic freedom and freedom of scientific research."

4.

Aims and Objectives

In order to promote its Founding Principles, the Association is constituted with the following Aims and Objects, viz :

- 4.1 To promote and protect the rights and responsibilities of the independent publishing sector in South Africa; and to co-ordinate industry representation, including submissions to and negotiations with Government legislators and other relevant public and private bodies with reference to matters affecting South African publishers;
- 4.2 To promote creativity, literacy, "a culture of reading"; and the free flow of ideas, information, and opinion;
- 4.3 To establish and apply policy guidelines and codes of conduct as may be adopted by the General Assembly from time to time as applicable to South African Publishers seeking membership of the Association; and to promote best practice and the highest standards of ethics in publishing;
- 4.4 To examine policy or legislative proposals likely to affect publishing in the Republic; and to take such measures in support of or in opposition to such proposals, and where appropriate to make representations with a view to securing amendments thereto as may be considered appropriate;
- 4.5 To liaise with representative international publishing organisations, and to promote the enactment and enforcement of effective legislation to protect copyright and other intellectual property rights, in order to secure the legitimate interests of authors, publishers and the general public;

- 4.6 To provide information, support and resources with reference to new technologies and publishing media, in order to enable South African Publishers to maintain their viability and competitiveness, and to advance the best interests of the publishing industry;
- 4.7 To organise and arrange participation by South African authors and publishers in competitions, exhibits, fairs, displays and other events organised to promote a culture of reading and excellence in writing and publishing in South Africa;
- 4.8 To provide general assistance and support services to the publishing industry in South Africa, including training, workshops, seminars, and access to a statistical and informational database;
- 4.9 Generally, to promote the best interests of the publishing industry in the Republic and to do all such other things as may be reasonably ancillary thereto.

5.

Membership

5.1 The membership of the Association shall comprise three categories, viz:

- Ordinary Membership
- Associate Membership
- Honorary Life Membership

each of which categories shall be constituted as hereinafter set forth.

5.2 Each of such categories of membership shall comprise :

5.2.1 initially, such persons as are presently admitted and recorded as such in the

Membership Registers of the Association;

5.2.2 such other persons, including juristic persons, as may from time to time be admitted to Membership in the relevant category by the General Council at its sole and entire discretion; on the basis that all Members shall be required to satisfy the relevant eligibility criteria; and shall be required to conform to the provisions of this Constitution, and to submit to the jurisdiction of the Association (and its Executive Bodies) with regard to the conduct of its affairs and the administration of its Membership.

5.3 Without derogating from the discretion vested in the General Council, it is stipulated that the eligibility criteria applicable in respect of each category of Membership shall be as follows:

5.3.1 Ordinary Membership :

Ordinary Membership shall be made available to South African Publishers who satisfy the eligibility and admission requirements of the Association from time to time, and who are deemed acceptable as such to the General Council.

5.3.2 Associate Membership :

Associate Membership shall be made available to persons (including juristic persons), who although not themselves publishers, are nevertheless involved with activities associated with aspects of publishing in the Republic, and who are acceptable as such to the General Council.

5.3.3 Honorary Life Membership :

Honorary Life Membership may be offered to any person who on the recommendation of the General Council, and with the approval of the General Assembly of Members, is thereby acknowledged as having given exceptional

service to the publishing industry in South Africa.

- 5.4 For the avoidance of doubt, it is stipulated that no business or person shall have the right to demand membership of the Association in any category, notwithstanding that they may satisfy the eligibility criteria. A complete discretion is vested in the General Council to adjudicate applications for membership, and to accept or reject them, as it may deem appropriate in the best interests of the Association and the publishing industry in the Republic. The General Council shall also have the right from time to time to re-evaluate and reassess the continued eligibility of any existing or prospective Member. It is expressly stipulated that neither the Association itself nor the General Council may be required to furnish reasons for, or required to justify, any such decision with respect to the admission, refusal, or withdrawal of membership of the Association.
- 5.5 The Association through its General Assembly may determine periodic Membership Fees or Subscriptions, which shall be payable by each member concerned as a condition and consequence of membership. Differential fees/subscriptions may be determined in respect of different classes or categories of members.

6.

Cessation of Membership

- 6.1 Membership of the Association shall terminate ipso facto in the event of :
- 6.1.1 the death, voluntary dissolution, or final liquidation of a Member; or
 - 6.1.2 the Association receiving the written resignation of the Member concerned.
- 6.2 Membership of the Association may also be terminated at the discretion of the General Council in the event of a Member having failed to remit payment of any required membership fee or subscription; or otherwise having failed to comply with

any other financial, procedural, or other requirement with respect to membership in the category concerned; provided that the General Council shall have first afforded the Member in default an opportunity to rectify any such default within a period of not less than twenty-one (21) days subsequent to the despatch of written notice to this effect.

6.3 Membership of the Association may also be terminated at any time by decision of the General Council on the recommendation of the Executive Committee, in the event of the conduct of a Member being deemed to be incompatible with the Association's Founding Principles or prevailing Codes of Conduct; provided that :

6.3.1 any such Resolution shall require the support of no less than two-thirds ($\frac{2}{3}$) of the Members of the General Council;

6.3.2 the Member concerned shall be afforded the opportunity to make a written representation with regard to the matter in issue; and

6.3.3 there shall be no further obligation upon the Association or its Executive Bodies to furnish reasons, or to justify its decision with reference thereto.

7.

Rights and Prerogatives of Membership

Membership of the Association shall confer the undermentioned rights and prerogatives, viz :

7.1 Ordinary Membership :

- The right to receive notice of; and to attend, speak and vote at all meetings of the General Assembly

- The right of Member's representatives to be nominated, and if elected, to serve as office bearers on the Councils of the Association.
- The right to participate fully in the affairs of the relevant Councils of the Association
- The right to receive copies of the Annual Report and Annual Financial Statements of the Association
- Such other rights and prerogatives as may from time to time be determined by the Association in respect of Ordinary Membership.

7.2 Associate Membership :

- The right to receive notice of, and to attend, speak (but not to vote) at all meetings of the General Assembly
- The right to receive copies of the Annual Report and Annual Financial Statements of the Association
- Such other rights and prerogatives as may from time to time be determined by the Association in respect of Associate Membership.

7.3 Honorary Life Membership :

- The right to receive notice of, and to attend, speak (but not to vote) at all meetings of the General Assembly
- The right to receive copies of all Annual Reports and Annual Financial Statements of the Association

- Such other rights and prerogatives as may from time to time be determined by the Association in respect of Honorary Life Membership.

8.

Organisational Structures

The Association shall pursue its aims and objects, and conduct its affairs, through the undermentioned structures, viz :

8.1 The General Assembly;

8.2 The General Council;

8.3 The Executive Committee;

8.4 The Sector Councils; and

8.5 Any such special purpose Committees as may from time to time be constituted in order to exercise a particular mandate on behalf of the Association, or its membership.

9.

General Assembly

The General Assembly shall comprise all the Ordinary Members of the Association from time to time, and shall be convened as occasion may require, in the manner and for the purposes contemplated hereunder, viz :

9.1 Annual General Meeting

- 9.1.1 An Annual General Meeting shall be held every year, as soon as possible, but in any event, within three (3) months, after the end of the financial year.
- 9.1.2 Not less than twenty-one (21) days' prior written notice of the Annual General Meeting shall be given to all Ordinary Members, and all other members entitled to attend General Meetings.
- 9.1.3 The Annual General Meeting shall be convened by the Chairperson, or in his/her absence, then by the Vice-Chairperson.
- 9.1.4 The business of the Annual General Meeting shall include, inter alia:
- 9.1.4.1 the presentation and consideration of the Chairperson's Annual Report;
 - 9.1.4.2 the consideration and adoption of the Annual Financial Statements;
 - 9.1.4.3 the (re-)election for the ensuing year of the Chairperson, Vice-Chairperson, Executive Secretary, and Treasurer; each of whom shall also serve ex officio on the General Council and Executive Committee during the tenure of such office;
 - 9.1.4.4 the (re-)appointment of the Auditors;
 - 9.1.4.5 such other matters as may be considered appropriate.

9.2 Special General Meetings

Other General Meetings of the Association (termed Special General Meetings) may be convened at any time at the discretion of the Chairperson, and shall be so convened at the request of:

- 9.2.1 the General Council; or
- 9.2.2 the Executive Committee; or
- 9.2.3 any fifteen (15) Ordinary Members of the Association;

provided that should the Chairperson, having been duly requested to convene the meeting, fail to give the required notice within Seven (7) days of the request being made, then the persons requisitioning the Meeting shall themselves be entitled to give such required notice and to convene the Meeting.

- 9.3 Any Special General Meeting (other than the Annual General Meeting) shall be convened on not less than Fourteen (14) days' written notice to all Members entitled to attend General Meetings, and such notice shall state in broad terms the business to be transacted at the Meeting.

9.4 Resolutions and Voting

- 9.4.1 Unless otherwise stipulated in terms of this Constitution, a resolution put to the vote shall be decided by a show of hands, or by a poll, as the Chairperson may determine. A poll shall be taken as directed by the Chairperson, and the result of the poll shall be deemed to be the resolution of the Meeting.
- 9.4.2 Each Ordinary Member present or represented at a General Meeting shall be entitled to One (1) vote. Unless otherwise stipulated in terms of this Constitution, decisions shall be reached by the majority of votes cast. The Chairperson SHALL be entitled to a second or casting vote in the event of an equality of votes.
- 9.4.3 Notwithstanding the foregoing, the Chairperson shall be entitled to determine that a particular issue concerns only certain members or interest group/s, in which event voting thereon shall be restricted to the members concerned.

9.5 Quorum

A quorum constituting a General Meeting of the Association shall be fifteen (15) Ordinary Members present or represented at the Meeting.

9.6 In the event of any General Meeting having been duly convened but no quorum being present, such Meeting shall stand adjourned to another date, which shall be not less than five (5) days thereafter, as may be determined by the Executive Committee, and written notice reflecting such adjournment shall be given to all Members entitled to notice of General Meetings. At such reconvened General Meeting, the Ordinary Members then present or represented shall be deemed to constitute a quorum.

9.7 Proper minutes shall be kept of the proceedings of the General Assembly, and a record of the persons present at each meeting. The minutes shall be signed by the person who chairs the meeting, and shall be available at all reasonable times for purposes of inspection or copying by any member entitled to attend meetings of the General Assembly.

10.

General Council

- 10.1 The General Council shall comprise the following persons :
- 10.1.1 The Chairperson; Vice-Chairperson; Treasurer; and Executive Secretary, as voting Members; and the Executive Director as a non-voting Member; all of whom shall serve during the period of their respective appointments ex officio.
- 10.1.2 Such number of Members representative of and duly appointed by the Sector Councils as may subsist from time to time, in accordance with the determination of the General Assembly. Until otherwise determined by the General Assembly, the representation of the presently existing Sector Councils shall be as reflected in the Schedule of Representation annexed hereto marked "Annexure "B"".
- 10.1.3 The General Council shall be entitled to co-opt not more than four (4) experts on the basis of the needs of the Association, and the specialised knowledge or skills which such individuals may be in a position to contribute to PASA. However, such co-opted persons shall have no voting rights.
- 10.2 The General Council shall receive reports from the Sector Councils and from its Executive Committee, and shall determine its own agenda, with a view to exercising broad responsibility for determining the Association's policy with regard to matters of importance affecting the publishing industry in the Republic, as it may deem appropriate, and as may be referred to it for consideration by the General Assembly, in order to give general policy guidance and direction to the Executive Committee.

- 10.3 The Chairperson, or in his/her absence, the Vice-Chairperson, shall chair all meetings of the General Council. In the absence of both the Chairperson and the Vice-Chairperson, the members of the General Council who are present at the meeting concerned shall elect one of their number as Chairperson for that meeting.
- 10.4 The Chairperson may at any time convene a meeting of the General Council, and shall be obliged on the request of any Two (2) members of the General Council to convene such a meeting.
- 10.5 The quorum necessary for the transaction of any business by the General Council shall be seven (7) of its members.
- 10.6 At meetings of the General Council each of its members shall have one (1) vote; provided that co-opted members shall have no vote.
- 10.7 Questions arising shall be decided by a majority of votes. In the event of an equality of votes the Chairperson SHALL have a second casting vote.
- 10.8 Proper minutes shall be kept of the proceedings of the General Council, and a record of the persons present at each meeting. The minutes shall be signed by the person who chairs the meeting, and shall be available at all times for inspection or copying by any member of the General Council.
- 10.9 The General Council may delegate any of its powers to one or more of its members, or to a Special Purpose Committee, or to an employee or agent of the Association, as it deems appropriate. The member, committee, employee, or agent to whom any such delegation is made shall, in the exercise of the relevant functions, conform to any directions that may be stipulated by the General Council from time to time.

10.10 Notwithstanding the foregoing, a Resolution signed by all the Members of the General Council shall have the same force and effect as a Resolution adopted at a duly convened meeting of the Council.

11.

Executive Committee

11.1 The Executive Committee shall comprise the following Members, viz :

- The Chairperson
- The Vice-Chairperson
- The Executive Secretary
- The Treasurer, and
- The Executive Director

11.2 The Executive Committee shall be charged with administering the affairs of the Association, and promoting its Aims and Objects. In executing its mandate, the Executive Committee shall implement the decisions of the General Assembly, as tasked by the General Council; take due cognisance of the deliberations of the Sector Councils; and generally have regard to the Association's policy framework and its available means and resources from time to time.

11.3 Each Member of the Executive Committee shall have the right to exercise one (1) vote, provided that the Executive Director shall have no vote.

11.4 Save as otherwise stipulated above, the provisions of sub-clauses 10.4 to 10.11 with respect to General Council Meetings shall apply mutatis mutandis with respect to the procedure to be adopted at meetings of the Executive Committee.

12.

Sector Councils

- 12.1 The Association shall, by decision of its General Assembly, constitute such Sector Councils, from time to time, as it may deem appropriate, in order to advise the Association with respect to the special interests and concerns of particular interest groups amongst its Members.
- 12.2 In constituting each such Sector Council, the General Assembly shall determine inter alia :
- 12.2.1 its broad mandate;
 - 12.2.2 the composition of its membership;
 - 12.2.3 its numerical representation on the General Council; and
 - 12.2.4 any other procedural matters which the General Assembly may deem appropriate to regulate in respect of the proceedings, and conduct of meetings of Sector Councils.
- 12.3 Subject to any contrary direction of the General Assembly, it is intended that the persons serving from time to time on the General Council as nominated representatives of the Sector Councils, shall serve for such period/s as the relevant Sector Council in each instance may from time to time determine; provided that at least one (1) of the nominated representatives of each Sector Council shall stand down at successive Annual General Meetings (but shall be eligible for renomination); in order to make provision not only for the benefit of continuity of representation, but also for the opportunity of periodic review of each Sector Council's representation.

13.

Funds and Powers

- 13.1 The Association Funds shall be derived as follows :
- 13.1.1 by Membership Fees or Subscriptions duly authorised by the General Assembly in terms of clause 5.5;
 - 13.1.2 by Special Levies raised by the General Council to meet particular needs and purposes; and
 - 13.1.3 by Special Contributions raised by particular Sector Councils, to facilitate its projects and programmes.
- 13.2 Subject to clause 13.3, the Association Funds shall be under the control and at the disposal of the General Council, which shall be authorised to appropriate and disburse such Funds as it may deem necessary from time to time in implementation of duly approved budgets, and generally in pursuance of the Aims and Objectives of the Association. The General Council shall have power to delegate authority with reference to such expenditures to the Executive Committee, subject to such directions and qualifications as it may deem appropriate from time to time.
- 13.3 Notwithstanding anything to the contrary hereinbefore contained, Sector Councils shall be entitled to control, disburse and deal with any Special Industry Contributions which they may have raised and contributed, and to mandate the General Council and/or the Executive Committee accordingly.
- 13.4 Subject to the foregoing, the Association shall be entitled (through its appropriate

organisational Sub-structure) to exercise any of the General Investment and Administrative powers set out in Schedule "A" to this Constitution, subject however to the prescribed fiscal conditions imposed in terms of the Income Tax Act No. 58 of 1962, as amended, with respect to the Association, by virtue of its exemption from income and other taxes, as envisaged by clause 14 hereunder.

14.

Prescribed Fiscal Conditions

Anything to the contrary herein contained or implied notwithstanding, the powers of the Association, shall be further subject to the undermentioned special conditions imposed by the Minister of Finance in terms of section 10(1)(cN)(iii)(bb) of the Income Tax Act No. 58 of 1962, as amended, in order to procure the Association's continued eligibility for tax-exempt status, and the ancillary fiscal benefits.

Accordingly, as required by the legislation, the Association shall :

- 14.1 Carry on its public benefit activities in a non-profit manner.
- 14.2 Carry out all its public benefit activities (or substantially the whole thereof) in the Republic, unless the Minister of Finance ("the Minister"), having regard to the circumstances of the case, directs otherwise.
- 14.3 Comply with such conditions, if any, as the Minister may prescribe by way of regulation to ensure that the activities and resources of the organisation are directed in the furtherance of its objects.
- 14.4 Submit to the Commissioner a copy of the Constitution, Will or other written instrument under which it has been established .

- 14.5 Be required to have at least three persons, who are not connected persons in relation to each other, to accept the fiduciary responsibility of the organisation.
- 14.6 Be prohibited from distributing any of its funds to any person (otherwise than in the course of undertaking any public benefit activity) and be required to utilise its funds solely for the objects for which it has been established, or to invest such funds:
- 14.6.1 with a financial institution as defined in section 1 of the Financial Institutions (Investment of Funds) Act, 1984 (Act No. 39 of 1984); and/or
 - 14.6.2 in securities listed on a stock exchange as defined in section 1 of the Stock Exchanges Control Act, 1985 (Act No. 1 of 1985) ; and/or
 - 14.6.3 in such other prudent investments in financial instruments and assets as the Commissioner may determine after consultation with the Executive Officer of the Financial Services Board and the Director of Non-Profit Organisations;
- provided that the provisions of this sub-paragraph do not prohibit any such organisation from retaining any investment (other than any investment in the form of a business undertaking or trading activity or asset which is used in such business undertaking or trading activity) in the form that it was acquired by way of donation, bequest or inheritance.
- 14.7 Be required on dissolution to transfer its assets to any similar public benefit organisation which has likewise been approved by the Commissioner in terms of section 30(3) of the Act, and accorded a similar tax exempt status.
- 14.8 Be prohibited from carrying on any business undertaking or trading activity, otherwise than to the extent that :

14.8.1 the gross income derived from such business undertaking or trading activity does not exceed the greater of :

14.8.1.1 Fifteen percent (15%) of the gross receipts of such public benefit organisation; or

14.8.1.2 Twenty Five Thousand Rand (R25 000, 00);

14.8.2 the undertaking or activity is :

14.8.2.1 integral and directly related to the sole object of such public benefit organisation; and

14.8.2.2 carried out or conducted on a basis substantially the whole of which is directed towards the recovery of cost, and which would not result in unfair competition in relation to taxable entities;

14.8.2 the undertaking or activity, if not integral and directly related to the sole object of such public benefit organisation as contemplated in clause 7.8.2.1, is of an occasional nature and undertaken substantially with assistance on a voluntary basis without compensation; or

14.8.3 the undertaking or activity is approved by the Minister by notice in the Gazette, having regard to :

14.8.3.1 the scope and benevolent nature of the undertaking or activity;

14.8.3.2 the direct connection and interrelationship of the undertaking or activity with the sole purpose of the public benefit organisation;

14.8.3.3 the profitability of the undertaking or activity; and

14.8.3.4 the level of economic distortion that may be caused by the tax-exempt status of the

public benefit organisation carrying out the undertaking or activity.

- 14.9 Be prohibited from accepting any donation which is revocable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation, including any misrepresentation with regard to the tax deductibility thereof in terms of section 18A; provided that a donor may not impose conditions which could enable such donor or any connected person in relation to such donor to derive some direct or indirect benefit from the application of such donation.
- 14.10 Be required to submit to the Commissioner a copy of any amendment to the Constitution, Will or other written instrument under which it was established.
- 14.11 Ensure that it is not knowingly a party to, and does not knowingly permit itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is or was the reduction, postponement or avoidance of liability for any tax, duty or levy, which, but for such transaction, operation or scheme, would have been or would have become payable by any person under the Act or any other Act administered by the Commissioner.
- 14.12 Not pay any remuneration to any employee, office bearer, member or other person, which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered.
- 14.13 Comply with such reporting requirements as may be determined by the Commissioner.
- 14.14 Take reasonable steps to ensure that the funds which it may provide to any association of persons as contemplated in paragraph (b)(iii) of the definition of "Public Benefit Activities" in section 30 of the Act, are utilised for the purpose for which they are provided.

14.15 Become registered in terms of section 13(5) of the Non-Profit Organisations Act, 1997 (Act No. 71 of 1997), within such period as the Commissioner may determine, and comply with any other requirements imposed in terms of that Act.

14.16 Ensure that any books of account, records or other documents relating to its affairs are:

14.16.1 where kept in book form, retained and carefully preserved by any person in control of the organisation, for a period of at least four years after the date of the last entry in any such book;

or

14.16.2 where not kept in book form, are retained and carefully preserved by any person in control of the organisation, for a period of four years after the completion of the transaction, act or operation to which they relate.

15.

Annual Financial Year, Books on Account and Annual Financial Statements

15.1 The Annual Financial Year of the Association shall be as from 1 July in each year to 30 June in the succeeding year.

15.2 The Association shall keep proper books, vouchers, and accounting records. Financial Statements (including Capital and Revenue accounts) shall be prepared at least once a year, in accordance with generally accepted accounting practice, and shall reflect clearly the affairs of the Association. The books of account and Financial Statements shall be audited and certified in the customary manner by an independent practising Chartered Accountant.

15.3 A copy of the Annual Financial Statements, audited and certified as aforesaid, shall be made available to the Members of the Association, as soon as possible after the close of the financial year.

16.

Signatures

All cheques, promissory notes, and other documents requiring signature on behalf of the Association shall be signed in such manner as the Executive Committee may determine from time to time.

17.

Contracts and Legal Action

As a Universitas, the Association shall be a separate juristic person, and shall have independent legal personality distinct from its Members. Accordingly, it may in its own name:

17.1 acquire assets, incur liabilities, and enter into contracts; and

17.2 institute or defend legal proceedings.

18.

Change of Name; Amendments to Constitution and Dissolution

18.1 By decision of the General Assembly:

- 18.1.1 The name of the Association may be changed;
- 18.1.2 the terms of this Constitution may be amended; and
- 18.1.3 the Association may be dissolved;

provided that written notice of the proposed resolution is given to all members entitled thereto, not less than twenty-one (21) days prior to the date of the Meeting; and provided further that such notice states the broad nature of the resolution to be proposed.

Any such resolution shall be deemed to have been duly adopted only if supported by at least two-thirds ($\frac{2}{3}$) of the Ordinary Members present at the Meeting, being not less than the minimum necessary to constitute a quorum.

- 18.2 For the avoidance of doubt, and notwithstanding anything to the contrary contained in this Constitution, it is confirmed that a resolution signed by all Ordinary Members of the Association, shall be valid as if passed at a duly convened Meeting of the General Assembly of the Association.

19.

Indemnity

- 19.1 Subject to the provisions of any relevant statute, each person serving on the Organisational Structures, including all office bearers, shall be indemnified by the Association for the consequences of acts done in good faith on the Association's behalf; and it shall be the duty of the Association to pay all reasonable and necessary expenses which any such person incurs on behalf of the Association, or as a result of work and acts performed on the instructions and with the authority of the relevant Structure.

- 19.2 Subject to the provisions of any relevant statute, no person serving as aforesaid

on any of the Organisational Structures, shall be liable for the acts, receipts, neglects or defaults of any other member so serving, or for having joined in any receipt or other act for conformity, or for any loss or expense suffered by the Association through the insufficiency or deficiency of title to any property acquired by the Association; or for the insufficiency or deficiency of any security in or on which the monies of the Association may be invested; or for any loss or damage arising from the bankruptcy, insolvency or delictual act of any person with whom any monies, securities or effects are deposited or for any loss or damage caused in any other way, which occurs in the execution of the duties of such Structure, unless it arises in consequence of such person's dishonesty, or failure to exercise the degree of care, diligence and skill required by law.

20.

Ambit and Discretions

Where discretions are vested in the General Assembly, or other structures of the Association, in terms of this Constitution, such discretions, except where expressly limited, shall be complete and absolute, and no person affected by any such decision pursuant to the exercise of such discretionary powers shall be entitled to challenge the decision: provided that the General Assembly or other structure concerned shall have duly conformed to the procedures and terms prescribed by this Constitution.

SCHEDULE "A"

GENERAL INVESTMENT AND ADMINISTRATIVE POWERS

In accordance with the provisions of clause 13, and subject to the prescribed Fiscal Conditions (as set out in clause 14), the Association, acting through its appropriate structures, shall have the following general investment and administrative powers, viz :

1. To invest the Association Funds as it deems fit; on condition that any investments made by the Association shall be permissible in terms of such Prescribed Fiscal Conditions.
2. To take over investments and assets forming the subject matter of donations made to the Association, and to retain them in the form in which they are received, or to realise same and to re-invest the proceeds.
3. To realise or vary any investments from time to time forming part of the Association Funds and to re-invest the proceeds resulting from such realisation in any authorised investments.
4. To allow funds or monies forming part of the Association Funds to remain uninvested or in their original state of investment on acquisition by the Association.
5. To effect borrowings for the purposes of pursuing the Aims and Objects of the Association; including the payment of liabilities; the making of a loan in furtherance of such Aims and Objects; the preserving or acquiring of any assets or investments; the subscription of any shares; with powers from time to time to consent to any alteration or variation of the terms applicable thereto; and as security for any money so borrowed, the Association shall be entitled to mortgage, pledge (either generally or specifically) or otherwise encumber, all or any portion of the Association Funds, in the manner and on terms and conditions as it sees fit, with the right also to replace such borrowings or security.
6. To guarantee (either gratuitously or for a consideration) the performance of contracts

or obligations of any person (including a juristic person), upon such terms and conditions, and with or without security, as may be deemed appropriate; provided that this power may only be exercised in pursuance of the Aims and Objects of the Association.

7. To exercise the voting power attached to any shares forming part of the Association Funds as may be considered appropriate, and to enter into any arrangements considered necessary for the liquidation, reconstruction or amalgamation of any company of whose capital the shares form a part.
8. To deal with any of the assets forming part of the Association Funds from time to time, by way of exchange, sale, lease or otherwise; and in exercising any powers of sale the Association shall be entitled to cause such sale to be effected by public auction, tender or private treaty, as it considers appropriate.
9. To purchase or otherwise acquire immovable property; and in respect of any immovable property forming part of the Association Funds:
 - 9.1 to exchange, sell, lease or otherwise deal with such immovable property or any portion of it, and to grant rights or options in respect of it; to register mortgage bonds; and to maintain, repair or improve any buildings on, or forming part of such immovable property.
 - 9.2 to execute any act or deed relating to alienation, partition, exchange, transfer, mortgage, hypothecation or otherwise in any Deeds Registry, Mining Titles Office or other Public Office; to deal with servitudes, usufructs, limited interests or otherwise; and to make any applications, grant any consents and agree to any amendments, variations, cancellations, cessions, releases, reductions, substitutions or otherwise generally relating to any deed, bond or document; and to obtain copies of any deeds, bonds or documents for any purposes; and generally to do or cause to be done any act whatsoever in any such Registry or office.
10. To transfer shares or other assets into the names of any nominee/s for the

Association.

11. To exercise through its appropriate structure/s, all such management and executive powers as are normally vested in the Board of Directors of a Company, including the employment of staff, and the determination of employees' benefits, and the terms and conditions of service.

[All powers and authorities herein before granted to the Association may be exercised not only within the Republic, but also in any other part of the world.]

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Initial Sector Councils

Name and Mandate	Numerical Representation on the General Council
General Education and Training	Four (4) representatives
Consumer and Trade Affairs	Three (3) representatives
Higher Education	One (1) representative
Industry, Skills and Development	Two (2) representatives
Copyright	One (1) representative
FET Colleges	Two (2) representatives
