

MEMORANDUM OF INCORPORATION
OF
LIFT COMMUNITY DEVELOPMENT NPC



PRINSLOO • BEKKER

ATTORNEYS • NOTARIES • CONVEYANCERS

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Companies and Intellectual
Property Commission
a member of the dti group

COMPANIES AND INTELLECTUAL PROPERTY COMMISSION REPUBLIC OF SOUTH AFRICA

Form CoR 14.3 - Registration Certificate

Issue date: 18/04/2016
Print date: 18/04/2016
Customer code: P&B
Tracking number: 111341153

Concerning:

LIFT COMMUNITY DEVELOPMENT NPC 2016/163894/08

The above company has been registered in terms of section 14 of the Companies Act, 2008.

In accordance with the Notice of Incorporation, the registration of the company takes effect on 18/04/2016.

In conjunction with this certificate, the Commission has not issued another notice contemplated in section 12 (3).

Acting Commissioner: CIPC

KME KME

About this Notice

This Notice is issued in terms of section 14 of the Companies Act, 2008, and Regulation 14 of the Companies Regulations, 2011.

If the Commission has altered the name of the company, in terms of section 14 (2) (b), the company may file an amended Notice of Incorporation to change the name.

If the Commission has issued a Notice of a Potentially Contested Name in conjunction with the Certificate, the company must serve that Notice on each person identified in the Notice, and any such person has the right to challenge the use of the name, by the company.

The Companies and Intellectual Property Commission of South Africa

P.O. Box 429, Pretoria, 0001, Republic of South Africa

Docex 256, Pretoria

Contact centre 086 100 2472

www.cipc.co.za



**Certificate issued by the Companies and Intellectual Property Commission
on Monday, April 18, 2016 01:33
Registration Certificate**



Companies and Intellectual
Property Commission
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Registration number	2016 / 163894 / 08
Enterprise name	LIFT COMMUNITY DEVELOPMENT NPC
Enterprise shortened name	NOT APPLICABLE
Enterprise translated name	NOT APPLICABLE
Registration date	18/04/2016
Business start date	18/04/2016
Enterprise type	NON PROFIT COMPANY
Enterprise status	IN BUSINESS
Financial year end	MARCH
Type of MOI	NON-STANDARD (COR15.1B)
Main business/main object	NO RESTRICTION ON BUSINESS ACTIVITIES
Postal address	1353 DE VILLEBOIS MAREUIL AVENUE MORELETA PARK 0181
Address of registered office	1353 DE VILLEBOIS MAREUIL AVENUE MORELETA PARK 0181

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Registration number 2016/163894/08
Enterprise name LIFT COMMUNITY DEVELOPMENT NPC

Auditors

Directors

Surname and first names	Status	ID number or date of birth	Director type	Appointment date	Addresses
ERASMUS, RETHA	ACTIVE	6508210142085	DIRECTOR	18/04/2016	Postal P O BOX 39541, MORELETA PARK, 0181 Residential 1353 DE VILLEBOIS MAREUIL AVENUE, MORELETA PARK, 0181
FERREIRA, GERHARDUS LOURENS	ACTIVE	7306065002085	DIRECTOR	18/04/2016	Postal P O BOX 66128, WOODHILL, 0076 Residential 1166 WOODHILL DRIVE, WOODHILL, 0081
SERFONTEIN, GRETA	ACTIVE	8603250077081	DIRECTOR	18/04/2016	Postal P O BOX 39541, MORELETA PARK, 0044 Residential 1353 DE VILLEBOIS MAREUIL AVENUE, MORELETA PARK, 0181

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REPUBLIC OF SOUTH AFRICA
COMPANIES ACT, 2008

MEMORANDUM OF INCORPORATION

OF

LIFT COMMUNITY DEVELOPMENT NPC

Registration Number:

[which is referred to in the rest of this Memorandum of Incorporation as **"the Company"**]

- (a) In this Memorandum of Incorporation the following words shall have the following meanings unless otherwise required by the context in which they are used, namely:-

"the Act"	shall mean the Companies Act No. 71 of 2008 (as amended);
"Auditors"	shall mean the auditors of the Company from time to time;
"the Board"	shall mean the board of Directors for the time being of the Company and appointed in terms of this Memorandum of Incorporation;
"the Commissioner"	shall mean the Commissioner for the South African Revenue Service;
"the Company"	shall mean LIFT COMMUNITY DEVELOPMENT NPC ;
"Director"	shall mean a director of the Company from time to time;

"in writing"	shall mean written, printed or lithographed, or partly one and partly another, and other modes of representing or reproducing words in a visible form;
"Month"	shall mean a calendar month;
"the Moreleta Park Congregation"	shall mean the Dutch Reformed Church of Moreleta Park, registered as "Nederduitse Gereformeerde Kerk van Transvaal – Moreletapark";
"the office of the Company"	shall mean the registered office of the Company;
"PBO"	shall mean public benefit organization as the term is defined in paragraph (a)(i) of section 30(1) of the Income Tax Act 58 of 1962;
"the Republic"	shall mean the Republic of South Africa as constituted from time to time;
"year"	shall mean a calendar year.

- (b) A reference to a section by number refers to the corresponding section of the Companies Act, 2008;
- (c) Words that are defined in the Companies Act, 2008 bear the same meaning in this Memorandum of Incorporation as in that Act; and
- (d) Words importing the singular number only shall include the plural number, and vice versa.
- (e) Words importing the masculine gender only shall include the feminine gender and vice versa, and words importing persons shall include corporations, and vice versa.
- (f) The headings of the respective Articles are for reference purposes only and shall not be taken into account in the interpretation of this Memorandum of Incorporation.

- (g) In the event of any provision of the Articles being unenforceable for any reason whatsoever, then such provision shall be deemed to be separate and severable, without in any way affecting the validity of the remaining provisions.
- (i) This Memorandum of Incorporation shall in all respects and in regard to all matters arising there from be governed by the law of the Republic of South Africa.
- (i) The Schedules attached to this Memorandum of Incorporation are a part of this Memorandum of Incorporation.

ARTICLE 1

Incorporation and Nature of the Company

1.1 Incorporation

- (1) The Company is incorporated as a non-profit company without members as defined in the Companies Act, 2008.
- (2) The Company is incorporated in accordance with and governed by –
 - (a) The alterable provisions of the Companies Act, 2008 that are applicable to non-profit companies, subject to the limitations, extensions, variations or substitutions set out in this Memorandum; and
 - (b) The provisions of this Memorandum of Incorporation.

1.2 Objects and Powers of the Company

- (1) The objects of the Company are set out in **Part A of Schedule 1** of this Memorandum. The Company is subject to provisions contemplated in section 15(2)(b) or (c), as set out in **Part B of Schedule 1**.
- (2) Except to the extent necessarily implied by clause (1) above, the purposes and powers of the Company are subject to the restrictions, limitations or qualifications contemplated in section 19(1)(b)(ii), as set out in **Part B of Schedule 1**.
- (3) Upon dissolution of the Company, its net assets must be distributed in the manner determined in accordance with the provisions, if any, set out in **Part C of Schedule 1** of this Memorandum.

1.3 Memorandum of Incorporation and Company Rules

- (1) This Memorandum of Incorporation of the Company may be altered or amended in the manner set out in **Part D of Schedule 1**.
- (2) The authority of the Company's Board of Directors to make rules for the Company, as contemplated in section 15(3) to (5) is limited or restricted to the extent set out in **Part D of Schedule 1**.
- (3) The Company must publish any Rules made in terms of section 15(3) to (5) in accordance with the requirements set out in **Part D of Schedule 1**.
- (4) The Company must publish a notice of any alteration of the Memorandum of Incorporation or the Rules, made in terms of section 17(1) in accordance with the requirements set out in **Part D of Schedule 1**.

1.4 Application of optional provisions of Companies Act, 2008

With the single exception of Part C set out in Chapter 3 of the Companies Act, 2008, to which the Company elects to submit voluntarily, the Company does not elect, in terms of section 34(2), to submit voluntarily to any other provisions of Chapter 3 of the Companies Act, 2008;

1.5 No Members

As contemplated in item 4(1) of Schedule 2 of the Companies Act, 2008, the Company shall have no members.

ARTICLE 2 Directors and Offices

2.1 Composition of the Board of Directors

- (1) The Board of Directors of the Company comprises of the number of Directors to be elected in the manner set out in **Part A of Schedule 2**.
- (2) In addition to the elected Directors there may be *ex officio* Directors of the Company, as contemplated in section 66, to be designated in the manner specified in **Part B of Schedule 2**.
- (3) In addition to satisfying the qualification and eligibility requirements set out in section 69, to become or remain a Director or a prescribed officer of the Company, a person must

satisfy the additional eligibility requirements and qualifications set out in **Part C of Schedule 2**.

- (4) Each elected Director of the Company serves for a term and in the manner specified in **Part C of Schedule 2**.

2.2 Authority and Powers of the Board of Directors

The authority and powers of the Company's Board of Directors to manage and direct the business and affairs of the Company, as set out in section 66(1), is defined, limited or restricted to the extent set out in **Part D of Schedule 2**.

2.3 Directors' Meetings

- (1) The authority of the Company's Board of Directors to consider a matter other than at a meeting, as set out in section 74 is limited or restricted to the extent set out in **Part E of Schedule 2**.
- (2) The right of the Company's Directors to requisition a meeting of the Board, as set out in section 73(1), may be exercised by the governing body of the Moreleta Congregation or at least by any two Directors, despite the provisions of that section.
- (3) The authority of the Company's Board of Directors to determine the manner and form of providing notice of its meetings, as set out in section 73(4) is limited or restricted to the extent set out in **Part E of Schedule 2**.
- (4) The authority of the Company's Board of Directors to proceed with a meeting despite a failure or defect in giving notice of the meeting, as set out in section 73(5) is limited or restricted to the extent set out in **Part E of Schedule 2**.
- (5) The quorum requirement for a Directors' meeting to begin, the voting rights at such a meeting, and the requirements for approval of a resolution at such a meeting are as set out in section 73(5) subject to the variations set out in **Part E of Schedule 2**.
- (6) The authority of the Company's Board of Directors to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in section 73(3) is limited or restricted to the extent set out in **Part F of Schedule 2**.

2.4 Remuneration and Reimbursement of Directors

- (1) The Directors may be entitled to reimbursement of all reasonable travelling, subsistence, and other expenses properly incurred by them in the execution of their duties on behalf of

the Company and which are authorised or approved from time to time by the Board, which reimbursement shall also be subject to the remuneration and/or reimbursement policies adopted and implemented by or for the Moreleta Park Congregation from time to time.

- (2) The Directors may not receive any remuneration for the performance of their duties unless such remuneration has first been authorized from time to time by the governing body of the Moreleta Park Congregation.
- (3) A Director will be entitled to contract directly or indirectly with the Company, or benefit from any contract which the Company may conclude, on condition that:
 - (a) The Director declares his/her interest in the relevant contract in the manner stipulated in the 2008 Act; and
 - (b) The Director does not participate in any proceedings of the Board during which the relevant contract is discussed or voted on; and
 - (c) The conclusion of that contract is subject to the same procedures and criteria as any other similar contract concluded by the Company.

2.5 Indemnification of Directors

- (1) The authority of the Company to advance expenses to a Director, or indemnify a Director, in respect of the defence of legal proceedings, as set out in section 78(3) is limited, restricted or extended to the extent set out in **Part G of Schedule 2**.
- (2) The authority of the Company to indemnify a Director in respect of liability, as set out in section 78(5) is limited or restricted to the extent set out in **Part G of Schedule 2**.
- (3) The authority for the Company to purchase insurance to protect the Company, or a Director, as set out in section 78(6) is not limited, restricted or extended by this Memorandum of Incorporation.

ARTICLE 3 Compliance Provisions

If and for as long as the Company is approved by the Commissioner as a PBO:

- (1) The Company must comply with all the provisions of the Income Tax Act which apply to PBOs from time to time, whether set out in section 30 or elsewhere in that Act.

- (a) Those provisions will be referred to in this Memorandum of Incorporation as the "Compliance Provisions" and are set out in **Schedule 3** to this Memorandum of Incorporation.
 - (b) If the Income Tax Act is amended so as to change the Compliance Provisions, Schedule 3 to this Memorandum of Incorporation must be amended accordingly.
- (2) All the powers of the Company, and the powers and discretions of the Board of Directors of the Company will be limited to the extent set out in the Compliance Provisions.
 - (3) The Compliance Provisions will override any contradictory or conflicting provision of this Memorandum of Incorporation.

ARTICLE 4

General Provisions

3.1 Financial year

Unless and until the Board decides otherwise, the financial year of the Company shall be from 1 April to 31 March each year.

3.2 Accounting Records

- (1) The Company must keep accurate and complete accounting records, in one of the official languages of the Republic, as necessary to enable the Company to satisfy its obligations in terms of the 2008 Act, or any other law, with respect to the preparation of financial statements.
- (2) The Company must prepare and keep any further accounting records which may be prescribed by or in terms of the 2008 Act.

3.3 Financial Statements

Any financial statements prepared by the Company (including any annual financial statements) must:

- (1) Satisfy any reporting standards as to form and content which are prescribed from time to time in terms of the 2008 Act.
- (2) Present fairly the state of affairs and business of the Company, and explain the transactions and financial position of the business of the Company.
- (3) Show the Company's assets and liabilities, as well as its income and expenses, and any other information prescribed in terms of the 2008 Act.

- (4) Set out the date on which the statements were published, and the accounting period to which the statements apply.
- (5) Bear, on the first page of the statements, a prominent notice indicating:
 - (a) Whether the statements:
 - (i) Have been audited in compliance with any applicable requirement of the 2008 Act;
 - (ii) If not audited, have been independently reviewed in compliance with any applicable requirement of the 2008 Act; or
 - (iii) Have not been audited or independently reviewed.
 - (b) The name, and professional designation, if any, of the individual or firm who prepared, or supervised the preparation of, the statements.
- (6) Not be false or misleading in any material respect.
- (7) Not be incomplete in any material particular, except if they constitute a summary contemplated in section 29(3) of the 2008 Act.

SCHEDULE 1

INCORPORATION AND NATURE OF THE COMPANY

PART A

Objects of the Company

The object of the Company are:

(1) **Principal Object**

- (a) "Under the auspices of the Moreleta Park Congregation to -
- (i) engage in community development for needy and poor persons and anti-poverty initiatives through:
 - (aa) the promotion of community-based projects relating to self-help, empowerment, capacity building, skills development or anti-poverty;
 - (bb) the provision of training, support or assistance to community-based projects as contemplated in paragraph (aa) above;
 - (cc) ministry in general.
 - (ii) establish a special fund in the Republic of South Africa to receive contributions and donations to be devoted exclusively towards defraying any expenditure directly incurred in achieving the objects set out in sub-clause (1)(a)(i) above;
 - (iii) collect moneys and to accept contributions in money or otherwise and whether by way of donations, bequests, or otherwise and to apply the same or the income therefrom for all or any of the objects set out in sub-clause (1)(a)(i) hereof.
- (b) Without in any way limiting the general nature of clause (1)(a), the Principal Object of the Company includes:
- (i) Collaborating with any other person or entity for the purpose of achieving that Principal Object.
 - (ii) Accepting donations in terms of section 18A(1)(a) of the Income Tax Act 1962.
 - (iii) Provide funds or assets to any other PBO, institution, board or body contemplated by the provisions of section 18A(1)(b) of the Income Tax Act 1962.

(2) **Secondary Objects**

- (a) The Secondary Object of the Company is to carry on or participate in (either alone or with any other person) any business, trade or undertaking ("Commercial Activity") which is consistent with or ancillary to its Principal Object.
- (b) The Secondary Object of the Company must not supersede or take precedence over its Principal Object.
- (c) All the net profits from the Company's Commercial Activities must be used only to fund the costs associated with the carrying on of the Company's Principal Object.

PART B

Special Conditions

- (1) The Company shall have the following common powers, provided that such powers shall be exercised entirely in accordance with and in the furtherance of the objects of the Company:
 - (a) To purchase or acquire in any way stock-in-trade, plant, machinery, land, buildings, agencies, shares, debentures and every other kind of description of movable and immovable property;
 - (b) to manage, insure, sell, lease, mortgage, dispose of, give in exchange, work, develop, build on, improve, turn to account or in any way otherwise deal with its undertaking or all or any part of its property and assets;
 - (c) to acquire and hold securities issued by a profit company;
 - (d) directly or indirectly, alone or with any other person, carry on any business, trade or undertaking consistent with or ancillary to the object of the Company;
 - (e) to apply for, purchase or by any other means acquire, protect, prolong and renew any patents, patent rights, licenses, trademarks, concessions or other rights and to deal with and alienate them as provided in sub paragraph (b);
 - (f) to invest money in any manner;
 - (g) to open and operate banking accounts and to overdraw such accounts;

- (h) to take part in the management, supervision and control of the business or operations of any other company or business and to enter into partnership;
 - (i) to remunerate any person or persons for services rendered in the formation of the Company or in the development or conduct of its objectives and activities;
 - (j) to make grants and donations, provided that no donations or grants may be made to Directors;
 - (k) to undertake and execute any trust;
 - (l) to act as principal, agent, contractor or trustee;
 - (m) to pay employees gratuities and pensions and establish pension schemes, in respect of its employees;
 - (n) to distribute to members of the public, with or without any charge, electronic or printed media, matter and/or material;
 - (o) to organize and present, with or without any charge, seminars, conferences, workshops, courses or fund raising events.
 - (p) with the prior written approval of the governing body from time to time of the Moreleta Park Congregation:
 - i) to borrow money;
 - ii) to secure payment of moneys borrowed in any manner including the mortgaging and pledging of property;
 - iii) to lend money to any person or company.
- (2) The assets and income of the Company, however derived, shall be applied solely towards the advancement and promotion of the objects of the Company.
- (3) The Company shall not, directly or indirectly by way of dividend, bonus or otherwise, pay any portion of its income or transfer any of its assets, regardless whether the income or asset was derived, to any person who is or was an incorporator of the Company, or Director, or person appointing a Director, of the Company, except:

- (a) As reasonable remuneration for goods delivered or services rendered to, or at the direction of the Company;
 - (b) As reasonable payment of, or reimbursement for, expenses incurred to advance a stated object of the Company;
 - (c) As payment of an amount due and payable by the Company in terms of a bona fide agreement between the Company and that person or another;
 - (d) As a payment in respect of rights of that person, to the extent that such rights are administered by the Company in order to advance a stated object of the Company;
 - (e) In respect of any legal obligation binding the Company.
- (4) All donations made by or to the Company shall be irrevocable and be subject to the terms and conditions of this Memorandum of Incorporation.
- (5) The Company may not:
- (a) Amalgamate or merge with or convert to a profit company;
 - (b) Dispose of any part of its assets, undertaking or business to a profit company, other than for fair value, except to the extent that such a disposition of an asset occurs in the ordinary course of the activities of the Company;
 - (c) Without the approval requirements as set out in sections 112 and 113, 115 and 116 of the Act, dispose of all or the greater part of the assets or undertaking of the Company or amalgamate or merge with another non-profit company.
- (6) In the event that the Company has been registered in terms of the Nonprofit Organizations Act, 1997 (Act No. 71 of 1997), any amendment to this Memorandum of Incorporation shall also be notified immediately to the Board for Non-profit Organizations in the manner stipulated in section 19(2) of the Non-profit Organizations Act.
- (7) In the event that the Company has been approved as a PBO, any amendment to this Memorandum of Incorporation shall also be notified immediately to the Commissioner.

PART C

Dissolution, de-registration or winding up of the Company

Upon dissolution, deregistration or winding-up of the Company the assets of the Company remaining after the satisfaction of all its liabilities shall be distributed and/or transferred to the Moreleta Park Congregation and, failing such distribution or transfer, to one or more non-profit companies, voluntary associations or non-profit trusts having objects substantively similar to the objects of the Company as determined:

- (a) the governing body of the Moreleta Park Congregation immediately before dissolution, deregistration or winding-up of the Company;
- (b) by the Court, if the Moreleta Park Congregation fails to make such a determination;

provided that if the Company has been registered as a non-profit organization in terms of the Nonprofit Organizations Act, 1997 (Act No. 71 of 1997) (the "Non-profit Organizations Act"):

- (c) any such assets must be distributed and/or transferred to non-profit companies, voluntary associations or non-profit trusts authorized in terms of the Nonprofit Organizations Act to collect contributions and having substantively objects to the Company;
- (d) the winding-up, deregistration or dissolution must be carried out in compliance with section 23 of the Non-profit Organizations Act;

PART D

Alteration and amendment of Memorandum of Incorporation

- (1) As is contemplated in sections 16(2) and 16(3) of the 2008 Act, the Board may, in its absolute discretion, adopt a resolution to amend any or all of the provisions of this Memorandum of Incorporation, on condition that any such resolution must be a special Board resolution, namely one which is :
 - (a) Supported by seventy-five (75) percent of the Directors present at a duly convened and quorate Board meeting; or
 - (b) Signed or assented to by at least seventy-five (75) percent of the Directors in the manner contemplated in this Memorandum of Incorporation.
- (2) Any amendment of the provisions of this Memorandum of Incorporation shall be approved by or on behalf of the governing body of the Moreleta Park Congregation.

SCHEDULE 2
DIRECTORS OF THE COMPANY

PART A, B and C

Composition of the Board of Directors

Subject to the provisions of sections 66,68 and 69 of the Act:

- (1) The number of the Directors of the Company shall not be less than 3 and shall not exceed 10 in number of which any number may be *ex officio* Directors as determined by the governing body of Moreleta Park Congregation from time to time.
- (2) The minimum and maximum number of Directors of the Company may be changed and limited from time to time by the governing body of Moreleta Park Congregation. The governing body of Moreleta Park Congregation may also determine in what rotation such increased or reduced number is to retire from office.
- (3) The first Directors shall, on registration, in number and in name be nominated and appointed by the governing body of the Moreleta Park Congregation. Subsequent Directors of the Company shall also be nominated, appointed or substituted from time to time by the governing body of Moreleta Park Congregation.
- (4) Directors appointed shall serve for a term of 2(two) years and shall be eligible for re-election.
- (5) It shall be an additional requirement for a person to become eligible for election as a Director of the Company that such person subscribes to Christian beliefs, principles and values.
- (6) In addition to the provisions of section 69 of the Act, the office of a Director shall also be vacated in any of the following events, namely:-
 - (a) if he is requested in writing by all his co-Directors to resign on the grounds of such person no longer being deemed to have subscribed to Christian beliefs, principles and values;
 - (b) if he be removed by a resolution of the Company pursuant to section 71 of the Act;
 - (c) if he resigns his office by notice in writing to the Company;

- (d) if he is, without a valid reason, absent from meetings of the Directors for 2 (two) consecutive Director's meetings and is not represented at any such meetings by an alternate Director, and the Directors resolve that his office be, by reason of such absence, vacated; provided that the Directors shall have power to grant to any Director not resident in the Republic leave of absence for any or an indefinite period.

PART D

Authority and Powers of Directors

- (1) Subject to the provisions of section 76 of the Act, the business of the Company shall be managed by the Directors who may exercise all such powers of the Company and do, on behalf of the Company, all such acts as may be exercised and done by the Company, and are not by the Act or by this Memorandum of Incorporation required to be exercised or done by the Company.
- (2) The Directors may act notwithstanding any vacancy in their body; provided always that in case the number of Directors shall at any time be or be reduced to less than the minimum number prescribed by or in accordance with this Memorandum of Incorporation, it shall be lawful for them to act for the purpose of summoning a Board meeting or for filling up vacancies, but not for any other purpose.
- (3) A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director for such period and on such terms as to remuneration (in addition to the remuneration to which he may be entitled as a Director) and otherwise as the Directors may determine.
- (4) A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise and (except insofar as otherwise decided by the Directors) he shall not be accountable for any remuneration or other benefits received by him as a Director or officer of or from his interest in such other Company.
- (5) Any Director may act by himself or through his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be entitled to remuneration for professional services as if he were not a Director.

- (6) A Director who is in any way whether directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest to the Board.
- (7) Subject to the provisions of this Memorandum of Incorporation, no Director or intending Director shall be disqualified by his office for contracting with the Company either with regard to his tenure of any other office or place of profit under the Company or in any Company promoted by the Company or in which the Company is interested or in respect of professional service rendered or to be rendered by such Director or as vendor, purchaser or in any other manner whatever, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director is in anyway interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such appointment, contract or arrangement by reason of such Director holding the office or of the fiduciary relationship thereby established.
- (8) Any Director who serves on any executive or other committee or who devotes special attention to the business of the Company, or who otherwise performs services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director, may be paid remuneration which is authorised or approved from time to time by the Board and which remuneration shall also be subject to the remuneration and/or reimbursement policies adopted and implemented by or for the Moreleta Park Congregation from time to time. Subject to the provisions of article 2.4 of this Memorandum of Incorporation, the Directors may be paid all their traveling and other expenses properly and necessarily expended by them in and about the business of the Company.
- (9) A Director shall not vote and if he shall do so, his vote shall not be counted on any resolution for his own appointment to any other office or place of profit under the Company or in respect of any contract or arrangement in which he is interested, but this prohibition shall not apply to:-
- (a) any arrangements for giving to any Director any security or indemnity in respect of money lent by him to or obligation undertaken by him for the benefit of the Company; or
 - (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the Director has himself guaranteed or secured; or
 - (c) any contract or arrangement with a Company in which he is interested by reason only of being a Director, officer or creditor of such Company;

and these prohibitions may at any time be suspended or relaxed to any extent either generally, or in respect of any particular contract or arrangement, by the Board.

- (10) The Directors may from time to time appoint one or more of their body or any other person not of their body to the office of Executive Director or manager for such term and at such remuneration as they may think fit and revoke such appointment subject to the terms of any agreement entered into in any particular case. The Directors may from time to time entrust to or confer upon such an Executive Director or manager, for the time being, such of the powers and authorities vested in them as they may think fit, and may confer powers and authorities for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think expedient and they may confer such powers and authorities collateral or to the exclusion of, or in substitution for, all or any of the powers and authorities of the Directors and may from time to time revoke or vary all or any of such powers and authorities.
- (11) Each Director may appoint either another Director or any person approved for that purpose by a resolution of the Directors to act as alternate Director in his place and during his absence and may at his discretion remove such alternate Director. A person so appointed, shall, except as regards the power to appoint an alternate and remuneration, be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company, and each alternate Director, whilst so acting, shall be entitled to receive notices of all meetings of the Directors or of any committee of the Directors, and to attend and vote at any such meeting at which his appointer is not personally present and he shall generally be entitled to exercise and discharge all the functions, powers and duties of his appointer in such appointer's absence as if he were a Director. Any Director acting as alternate shall (in addition to his own vote) have a vote for each Director for whom he acts as alternate. An alternate Director shall ipso facto cease to be an alternate Director if his appointer ceases for any reason to be a Director, provided that if any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired. Any appointment or removal of an alternate Director shall be effected by instrument in writing delivered at the office and signed by the appointer. The remuneration of an alternate Director shall be payable only out of the remuneration payable to the Director appointing him and he shall have no claim against the Company for his remuneration.
- (12) The business and affairs of the Company must be managed by or under the direction of the Board, which has the authority to exercise all of the powers and perform any of the functions of

the Company. Without in any way limiting the general nature of the aforesaid, the Board will be entitled to exercise the following powers:

- (a) The Board will be entitled to co-opt any person of its choice to assist the Board or any committee of the Board in relation to any matter concerning the management or administration of the Company, or the conduct of any aspect of its activities.
- (b) The Board will be entitled to establish separate divisions of the Company, to perform any discrete or specialised functions of the Company. The Board must, from time to time, determine rules and procedures for the management and administration of any division, and must take all reasonable steps to ensure that such rules and procedures are complied with. The Board may, if deemed appropriate for administrative, fiscal or other reasons, keep separate books and accounts for each division.
- (c) The Board may delegate any of its powers or assign any of its duties to individual Directors, committees comprising Directors and others, or to any agent or employee of the Company, as the Board chooses; on condition that:
 - (i) The Board must take reasonable steps to ensure that any such person or committee, in exercising the relevant powers or carrying out the relevant duties, conforms to any rules, restrictions or procedures which may be imposed by the Board from time to time; and
 - (ii) The Board will not be divested of any power or duty by virtue of its delegation or assignment to any person; and
 - (iii) The Board will be entitled, in its absolute discretion, to vary or set aside any decision made under any delegation or in terms of any assignment, or to revoke or amend the terms of any delegation or assignment.
- (d) The Board's borrowing powers will be unlimited, and the Board will be entitled to mortgage or otherwise encumber any or all of the assets of the Company as security for any debt, liability or obligation of the Company.
- (e) The Board must carry out all duties required of it by this Memorandum of Incorporation, or by the 2008 Act, or any other provision of law.
- (f) In managing the finances of the Company, the Board must ensure that the relevant provisions of this Memorandum of Incorporation are complied with.

- (g) The Board will be entitled to employ independent contractors, or other appropriate people, to provide the Company with such skills and expertise as it may require in order to achieve its Objects.
- (h) The Board must ensure that the Company maintains the following records [and retain them for a period of at least seven (7) years]:
 - (i) A copy of this Memorandum of Incorporation, and any amendments or alterations to it.
 - (ii) A record of the Directors of the Company, including:
 - (iii) All the information required in terms of section 24(5) of the 2008 Act in respect of each current Director at any particular time; and
 - (iv) That same information with respect to each past Director.
 - (v) Copies of all Annual financial statements and accounting records of the Company.
 - (vi) Minutes of all meetings and resolutions of the Board, or committees of the Board.
 - (vii) A record of its Company secretaries and registered auditors (if any), including, in respect of each person appointed as secretary or registered auditor of the Company.
- (i) All the Directors will be entitled, at any reasonable time, and from time to time, to inspect and make copies of any of the Company records referred to in sub-clause (h) above.

PART E

Meetings of Directors

- (1) Subject to the provisions of section 73 of the Act, the Directors may meet for the dispatch of business, adjourn, and otherwise regulate their meetings as they think fit.
- (2) Unless an urgent Director's meeting is required or convened, for which there shall be no minimum number of days for notice to Directors, the minimum number of days for a notice of any normal Directors meeting shall be 15 (fifteen) business days.
- (3) At least once every calendar year the Board must convene a Board meeting at which four representatives nominated by the governing body of the Moreleta Park Congregation shall be entitled to be present and participate. This Board meeting will be referred to as the Annual Board Meeting, or "ABM" and shall deal with and dispose of the consideration of financial statements,

Directors reports and any other business laid before it. All the Directors and the four representatives nominated by the Controlling Body of the Moreleta Park Congregation will be entitled to attend the ABM.

- (4) The ABM must be held :
 - (a) Within not more than nine (9) months after the end of every financial year of the Company; and
 - (b) Within not more than fifteen (15) months after the date of the last ABM.
- (5) A notice of a Director's meeting must be in writing and must be delivered to Directors 10(ten) business days before the meeting, and must include-
 - (a) the date, time and place for the meeting;
 - (b) an itemized agenda in respect of the matters to be considered at the meeting.
 - (c) in the case of an Annual Board Meeting of the Company-
 - (i) the Directors' report;
 - (ii) the audited financial statements of the previous year to be presented or a summarised form thereof;
- (6) The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings of that meeting.
- (7) A quorum necessary for the transaction of any business at a meeting of Directors shall, in the case of the Board comprising of no more than 3 (three) Directors, consist of 2 (two) Directors and in the case of the Board comprising of more than 3 (three) Directors, consist of one half of the number of Directors of the Board plus 1 (one) Director. The authority of a meeting to continue to consider a matter after the quorum has been met is not limited or restricted by this Memorandum of Incorporation.
- (8) A Director who is not in the Republic shall be entitled to notice of any meeting, but it shall also be given to his alternate, if any, unless such alternate is also absent from the Republic.
- (9) The Directors may elect or re-elect a Chairperson and Vice Chairperson for the body and for their meetings and determine the period for which they are to hold office, which period shall not exceed two (2) years, but if no such Chairperson or Vice Chairperson is elected or if at any meeting the Chairperson or Vice Chairperson is not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number present to be Chairperson at such meeting.

- (10) All questions arising at any Board meeting shall be decided by a majority of votes. The Chairperson shall, in the case of an equality of votes, not have a second or casting vote. Each Director present at a Board meeting will be entitled to exercise one (1) vote on any matter put to the vote. A Director will be deemed to be present at a Board meeting if the Director, or his/her proxy, is present in person or participates in the meeting by electronic communication.
- (11) A meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretion by or under this Memorandum of Incorporation for the time being vested in or exercisable by the Directors generally.
- (12) A Director may appoint any other Director as his/her proxy at a Board meeting, subject to compliance with any procedures and formalities which may be stipulated by the Board from time to time.
- (13) A resolution signed or assented to by the Directors in the manner referred to below will be as valid and effectual as if it had been passed at a duly convened and quorate Board meeting. The resolution must be:
- (a) In writing;
 - (b) Circulated to all the Directors, either in printed or electronic form; and
 - (c) Signed or assented to by the requisite majority of the Directors either by signing in hand on the original printed resolution; or by signing in hand on a copy of the original printed resolution; or by signing in hand on a copy of the original printed resolution which is then transmitted by electronic communication; or by affixing an electronic signature; or by transmitting an electronic communication containing an assent to the resolution.

PART F

Electronic communication between Directors

In exceptional circumstances given to the unavailability of one or more Directors entitled to vote at a Board meeting, the Directors may provide for:

- (a) A Board meeting to be conducted entirely by electronic communication, or
- (b) One or more Board member(s) to participate by electronic communication in all or part of a Board meeting that is being held, provided that the electronic communication employed ordinarily enabled all persons participating in the meeting to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the meeting.

PART G

Liability and Indemnification of Directors

- (1) The liability of Directors and prescribed officers of the Company or members of a committee of the Board shall be subject to the provisions of sections 77 and 78 of the Act.
- (2) The Company may in particular not indemnify a Director in respect of:
 - (a) Any liability arising in terms of section 77(3)(a),(b) or (c) of the Act or from wilful misconduct or wilful breach of trust on the part of the Director;
 - (b) Any fine contemplated in section 78(3) of the Act.
- (3) Every Director or prescribed officer of the Company or Member of a committee of the Board shall be indemnified out of the funds of the Company against all expenses in order to defend litigation in any proceedings arising out of the director/officer/committee Member's service to the Company, irrespective of whether the Company has advanced such expenses, if the proceedings are abandoned or exculpate the Director/officer/committee Member or arise in respect of any other liability for which the Company may indemnify the Director/officer/committee Member.
- (4) The Company may otherwise indemnify a Director/officer/committee Member in respect of any liability arising other than as contemplated in clause 2 (a) and (b) of this Part G.

SCHEDULE 3

Provisions imposed by section 30 of the Income Tax Act

- (1) For as long as the Company is approved as a PBO, the Company must comply with the following requirements, conditions and restrictions, which will override any inconsistent or contradictory provision of this Memorandum of Incorporation:
 - (a) The sole or principal object of the Company must be and remain to carry on one or more Public Benefit Activities, on condition that:
 - (i) All such activities must be carried on in a non-profit manner and with an altruistic or philanthropic intent.

- (ii) No such activity may be intended to directly or indirectly promote the economic self-interest of any fiduciary or employee of the Company, otherwise than by way of reasonable remuneration payable to that fiduciary or employee.
 - (iii) Each such activity carried on by the Company must be for the benefit of, or widely accessible to, the general public at large, including any sector thereof (other than small and exclusive groups).
- (b) The Company must have at least three (3) persons, who are not connected persons in relation to each other, to accept the fiduciary responsibility for the Company, and no single person may directly or indirectly control the decision-making powers relating to the Company.
- (c) The Company may not distribute any of its funds directly or indirectly to any person (otherwise than in the course of undertaking any Public Benefit Activity) and must utilise its funds solely for the Objects for which the Company has been established.
- (d) If and when the Company is wound-up or dissolved in any manner provided for in this Memorandum of Incorporation, or as required by law, the net remaining assets of the Company, after all the obligations and commitments of the Company have been met, must be transferred to:
 - (i) Any PBO; or
 - (ii) Any institution, board or body which is exempt from tax under the provisions of section 10(1)(cA)(i) of the Income Tax Act, which has as its sole or principal object the carrying on of any Public Benefit Activity; or
 - (iii) The government of the Republic in the national, provincial or local sphere, contemplated in section 10(1)(a) of the Income Tax Act,

which is required to use those assets solely for purposes of carrying on one or more Public Benefit Activities.

- (e) The Directors will 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 of the Income Tax Act:

Provided that a donor [other than a donor which is an approved PBO or an institution, board or body which is exempt from tax in terms of section 10(1)(cA)(i) of the Income Tax Act, and which has as its sole or principal object the carrying on of any Public Benefit Activity] may not impose conditions which could enable that donor or any connected person in relation to that donor to derive some direct or indirect benefit from the application of the donation.

- (f) The Directors must submit to the Commissioner a copy of any amendment to this Memorandum of Incorporation, and must ensure that the Company submits the required income tax returns together with the relevant supporting documents.
- (g) The Directors must comply with such conditions as the Minister of Finance may prescribe by way of regulation to ensure that the activities and resources of the Company are directed in the furtherance of its Objects.
- (h) The Directors must make sure that the Company does not knowingly become a party to, or does not knowingly permit itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is 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 Income Tax Act or any other Act administered by the Commissioner.
- (i) The Company must not pay any remuneration, as defined in the Fourth Schedule to the Income Tax Act, to any employee, office bearer, Director or other person which is excessive, having regard to what is generally considered reasonable in the sector in which the Company operates, and in relation to the service rendered, and must not economically benefit any person in a manner which is not consistent with its Objects.
- (j) The Directors must comply with such reporting requirements as may be determined by the Commissioner.
- (k) The Directors must ensure that any books of account, records or other documents relating to the Company:
 - (i) Where kept in book form, are retained and carefully preserved for a period of four (4) years after the date of the last entry in any such book; or

- (ii) Where not kept in book form, are retained and carefully preserved for a period of four (4) years after completion of the transactions, acts or operations to which they relate.
 - (l) The Company must not use its resources directly or indirectly to support, advance or oppose any political party.
- (2) Provisions imposed by section 18A of the Income Tax Act:
 - (a) When the Company issues receipts to donors in terms of section 18A(2) of the Income Tax Act, the Company must ensure that the donations from those donors are used solely to carry on the Company's own 18A Activities, namely those activities of the Company which are contemplated in Part II of the Ninth Schedule.
 - (b) Where the Company, in any year of assessment, issues receipts to donors in terms of section 18A(2) of the Income Tax Act, the Company must obtain and retain an audit certificate confirming that all the donations received or accrued in that year in respect of those receipts, were used by the Company in the manner contemplated in paragraph (2)(a) above.
 - (c) The Company must not issue a receipt in terms of section 18A(2) of the Income Tax Act in respect of the donation of any property in kind which constitutes, or is subject to any fiduciary right, usufruct or other similar rights, or which constitutes an intangible asset or financial instrument, unless that financial instrument is:
 - (i) A share in a listed company; or
 - (ii) Issued by a financial institution as defined in section 1 of the Financial Services Board Act, No. 97 of 1990.
 - (d) In the case of the Company receiving and providing funds as contemplated by the provisions of section 18A(1)(b):
 - (i) The Company shall within 12 months after end of the relevant financial year of assessment, distribute or incur the obligation to distribute 75% of all funds received by way of donation during that year in respect of which receipts were issued: provided that the Commissioner may, upon good cause shown and subject to such conditions as he or she may determine, either generally or in

particular instance, waive, defer or reduce the obligation to distribute any funds, having regard to the public interest and the purpose for which the Company wishes to accumulate such funds; and

- (ii) The funds in question will be utilized solely to provide funds to a PBO, institution, board or body contemplated in sub-section (1)(a) which will utilize those funds solely in carrying on activities contemplated in Part II of the Ninth Schedule.