



The Insurance Institute of South Africa

Memorandum of Incorporation 2020

Registration Number: 1993/002172/08

Name of company: **THE INSURANCE INSTITUTE OF SOUTH AFRICA NPC**

Registration No.: 1993/002172/08

This Memorandum of Incorporation was adopted by Special Resolution passed on _____2020, a copy of which was filed with the Companies and Intellectual Property Commission together with the notice of amendment ("**Notice of Amendment**") in substitution for the existing Memorandum of Incorporation of the Company. This Memorandum of Incorporation takes effect (in terms of Section 16(9)(b)(i) of the Companies Act No. 71 of 2008) on the Date of Filing Hereof (as defined in Clause 2.14 in this Memorandum of Incorporation).

The Memorandum of Incorporation in the prescribed form as contemplated in Section 13(1)(a)(i) of the Companies Act No. 71 of 2008 shall not apply to the Company.

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1. Definitions

In this Memorandum of Incorporation, unless the context clearly indicates a contrary intention, the following words and expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings:

"Act"	shall mean the Companies Act No. 71 of 2008, as amended, consolidated or re-enacted from time to time and includes all schedules to such Act and the Regulations;
"AGM"	shall mean the annual general meeting of the Company;
"Auditor"	shall mean the external auditor of the Company as appointed from time to time, and as defined in the Auditing Professions Act No 26 of 2005, as amended;
"Board Committee"	shall mean a committee or committees created in terms of this Memorandum of Incorporation which reports to the Board;
"Board"	shall mean the Board of Directors from time to time of the Company;
"Business Day"	shall mean any day but excluding Saturdays, Sundays and proclaimed public holidays in the Republic of South Africa, and "day" or "days" shall have a similar meaning;
"Chief Executive Officer"	shall mean the Chief Executive Officer of the Company as appointed to that position from time to time and "CEO" shall have a similar meaning;
"CIPC"	shall mean the Companies and Intellectual Property Commission; established by Section 185 of the Act;
"Company"	shall mean The Insurance Institute of South Africa NPC, with its shortened name as IISA NPC, a Non-Profit Company incorporated in terms of the Act;

"Company Rules"	shall mean any rules made by the Board in respect of the governance of the Company as contemplated in Sections 15(3) to 15(5) of the Act;
"Corporate Partners"	shall mean a Person or juristic entity that has signed as a corporate partner of the Company;
"Director"	shall mean a member of the Board of Directors of the Company, as contemplated in Section 66 of the Act, elected in accordance with this Memorandum of Incorporation or subordinate regulations;
"FAIS Act"	shall mean the Financial Advisory and Intermediaries Act 37 of 2002;
"Financial year"	shall mean the twelve (12) month period beginning on 01 January of any one year and ending on 31 December of the same year, or such other twelve (12) month period in a calendar year as the Board may decide;
"Forum of Fellows"	shall mean a committee of Fellow members of the institute who are in good standing on their membership fees as well as continuing professional development;
"Fundamental transaction"	shall mean the disposal of all or the greater part of the Company's assets or undertaking; or amalgamating or merging with another non-profit company;
"Industry"	shall mean the insurance industry as it is practised by the Members, and as prescribed and regulated by the Board, relevant Government departments and other stakeholders;
"In Writing"	shall mean and includes written, printed, typed, electronically produced, or produced by any substitute for writing, or partly one and partly another of these mediums;

"Member"	shall mean a Person who has satisfied the requirements for membership in terms of the relevant membership regulations prescribed and approved by the Board, and who has been admitted to membership of the Company and shall include voting and non-voting members as determined by the membership regulations from time to time and whose details are entered as such in the Members' Register of the Company;
"Memorandum of Incorporation"	shall mean this Memorandum of Incorporation of the Company and "MOI" shall have a similar meaning;
"Ordinary Resolution"	shall mean a resolution adopted with the support of more than fifty percent (50%) of the Voting Rights exercised on the resolution at a Members' meeting;
"Person"	shall mean a natural person;
"Prescribed Officers"	means an Individual who exercises and participates in the general executive control over the management of the whole or a significant portion of the business and activities of the Company, or participates to a material degree in the exercise of general control over the management of the whole or a significant portion of the business and its activities;
"President and Deputy President"	shall mean and be construed as references to the Chairperson and Deputy Chairperson, respectively, of the Company;
"Register"	shall mean the Register of Members kept in terms of this MOI and the Company Rules;
"Republic"	shall mean the Republic of South Africa;
"Section"	shall mean a reference to the corresponding section of the Act;

“Special Resolution” shall mean a resolution adopted with the support of more than seventy-five percent (75%) of the Voting Rights exercised on the resolution at a Members’ meeting;

“Voting Member” shall mean a member in good standing with regards to membership fees and in compliance with the Continuing Professional Development requirements;

"Voting Rights" shall mean the right to exercise a vote on matters to be decided at a meeting of the Company in accordance with the provisions of this MOI.

2. Interpretation of this Memorandum of Incorporation

- 2.1. Words and expressions defined in the Act and which are not defined herein, shall have the meanings given to them in the Act.
- 2.2. A reference in this MOI to the Act shall include a reference to the Regulations.
- 2.3. All references to “Sections” in this MOI shall refer to the sections of the Act unless the context indicates otherwise, and all references to “Clauses” in this MOI shall refer to clauses of this MOI.
- 2.4. Clause headings in this MOI are for convenience only and are not to be used in the interpretation of this MOI.
- 2.5. An expression in this MOI which denotes -
 - 2.5.1 any gender includes the other genders;
 - 2.5.2 a natural person includes a juristic person and vice versa; and
 - 2.5.3 the singular includes the plural and *vice versa*.
- 2.6. If the due date for performance of any obligation in terms of this MOI is a Day which is not a Business Day then (unless otherwise stipulated), the due date for performance of the relevant obligation shall be the immediately succeeding Business Day.

- 2.7. Any words or expressions defined in any clause shall, unless the application of any such word or expression is specifically limited to that clause, bear the meaning assigned to such word or expression throughout the whole of this MOI.
- 2.8. Any reference to a notice shall be construed as a reference to a written notice and shall include a notice which is transmitted electronically in a manner and form permitted in terms of the Act.
- 2.9. A reference to a day, a month or a year shall be construed as a calendar day, month or year, as the case may be.
- 2.10. When any number of days is described in this MOI, same shall be reckoned exclusively of the first day and inclusively of the last day unless the last day is not a Business Day in which case the last day shall be the next succeeding Business Day.
- 2.11. Any issue not specifically addressed in this MOI, shall be governed by the provisions of the Act.
- 2.12. A reference to Members represented by proxy in this MOI shall include Members represented by an agent appointed under general or special power of attorney.
- 2.13. Any reference in this MOI to any other agreement or document shall be construed as a reference to such other agreement or document as same may have been, or may from time to time be, amended, varied, novated, replaced or supplemented.
- 2.14. Any references in this MOI to "**Date of Filing Hereof**" shall be read as meaning a reference to the date on which the Notice of Amendment substituting the previous Memorandum of Incorporation of the Company with this MOI is Filed.

3. Conflict with the Memorandum of Incorporation

As required by the Act, in any instance where there is a conflict between a provision (be it express, implied or tacit) of this MOI and –

- 3.1. an alterable or elective provision of the Act, the provisions of this MOI shall prevail to the extent of the conflict; and
- 3.2. an unalterable or non-elective provision of the Act, the unalterable or non-elective provisions of the Act shall prevail to the extent of the conflict unless the MOI imposes on the Company a higher standard, greater restriction, longer period of time or similarly more onerous

requirement, in which event the relevant provision of this MOI shall prevail to the extent of the conflict.

4. Incorporation and nature of the company

- 4.1. The Company is incorporated as a Non-Profit Company as defined in the Act.
- 4.2. The Company is incorporated in accordance with, and governed by:
 - 4.2.1. the unalterable provisions of the Act that are applicable to Non-Profit Companies;
 - 4.2.2. the alterable provisions of the Act that are applicable to Non-Profit Companies, subject to any limitation, extension, restrictions, variation or substitution set out in this MOI;
 - 4.2.3. the provisions of this MOI; and
 - 4.2.4. the Company Rules, if any.
- 4.3. The Company shall operate as an independent Professional Body for the insurance industry in South Africa.
- 4.4. No person shall solely by reason of being an Incorporator, Member or Director of the Company be liable for any liabilities or obligations of the Company.
- 4.5. The Company will comply with all applicable legislation and acknowledges the principles contained in leading governance publications and codes and will, where applicable, either apply the principles of such publications and codes or be able to explain its non-compliance to these principles.
- 4.6. The Company is committed to be a socially responsible corporate citizen and aims to create a sustainable business with regards to its integrated performance and its ethical, economic, social and environmental impacts on its stakeholders.
- 4.7. In respect of the application of optional provisions of the Act, the Company elects, in terms of Section 34(2) of the Act, to comply voluntarily with the provisions of Chapter 3 of the Act as set out in this MOI.

5. Object and powers

- 5.1. The Company is not formed and does not exist for the purpose of carrying on any business that has for its object the acquisition of gain by the Company or its Members.
- 5.2. Members and office-bearers have no rights in the property or other assets of the Company solely by virtue of their being Members or office-bearers.
- 5.3. The income and property of the Company whenever and howsoever derived, shall be applied towards the payment of expenses, the acquisition of property and the promotion of the Company's objects and purposes as set out in this MOI, and such other lawful purposes as may be decided upon by the Board, or if the latter so desires, by a general meeting for the attainment of the objects.
- 5.4. The Company shall not directly or indirectly, pay any portion of its income or transfer any of its assets, regardless how the income or asset was derived, to any Member or office-bearer except in accordance with the provisions of Schedule 1(3) of the Act.
- 5.5. The main object and business of the Company shall be to advance and promote the status of insurance professionals, whilst at all times acting in the interest of the public whom the profession serves, by:
 - 5.5.1. providing and maintaining a central organisation for the promotion of efficiency, progress, knowledge, educational and skills development, welfare among persons engaged or employed in the insurance industry, whether Members or not;
 - 5.5.2. setting and communicating standards regarding professionalism within the insurance industry and to achieve an image and reputation of excellence of the insurance industry amongst the general public;
 - 5.5.3. conferring the status of membership, upon approved Persons who comply with the professional standards and membership criteria determined by the Company and set out in this MOI and/or the Company Rules;
 - 5.5.4. representing, protecting and promoting the common interests and welfare of its Members and dealing with all matters as may affect the common interests of its Members;
 - 5.5.5. protecting, promoting and advancing the common interests of its Members, including the taking of such concerted measures as may be deemed expedient whenever the business of its Members may be affected by the action or proposed action of the Government or other authority or any Person;

- 5.5.6. promoting agreement and co-operation between the Company, its Members and Corporate Partners and between its Members inter se, on all matters of common interest;
- 5.5.7. doing all such things as may, in the opinion of the Directors, be necessary, proper or advisable for the general advancement of the insurance industry or which may be necessary for, or incidental or conducive to, the attainment of any of the objects of the Company;
- 5.5.8. improving the quality and accessibility of insurance professionals;
- 5.5.9. acting as advocate for the professional insurance practice, building a recognition of the importance and need for such professionalism by the general public;
- 5.5.10. providing a qualification framework within which Members can achieve and maintain competence to create greater value for their clients, employers and the industry;
- 5.5.11. monitoring that Members maintain the highest ethical standards in the pursuance of their profession;
- 5.5.12. providing a leadership role within the insurance industry by providing balanced, credible input and commentary to Government and the public; and
- 5.5.13. facilitating transformation within the profession through inclusivity and accessibility of the designations.

6. Company Rules and amendment of the MOI and Rules

- 6.1 This MOI of the Company may be altered or amended in the manner set out in Section 16, 17 or 152(6)(b) of the Act, subject to the provisions contemplated in Section 16(1)(c) of the Act.
- 6.2 The Company shall submit a copy of any amendment to the MOI to the Commissioner of the South African Revenue Service in accordance with Section 30B of the Income Tax Act No.58 of 1962.
- 6.3 Except to the extent that this MOI provides otherwise, the authority of the Company's Board of Directors to make rules for the Company, as contemplated in Section 15(3) to (5) of the Act is not limited or restricted in any manner.
- 6.4 The Board must publish any Company Rules made in terms of Section 15(3) to (5) of the Act by delivering by electronic means, by courier or by registered mail a copy of those rules to each Member.
- 6.5 The Company must publish a notice of any alteration of the MOI or the Company Rules, made in terms of Section 17(1) of the Act, by delivering a copy of those alterations to each

Member by electronic means, by courier or by registered mail. A copy of the amendments must also be accessible via the Company's website.

6.6 In terms of Section 15(4) of the Act, a Company Rule amendment shall take effect on a date that is the later of:

6.6.1 ten (10) business days after the Company Rule is filed with the Companies and Intellectual Property Commission; or

6.6.2 the date, if any, specified in the Company Rule, and

6.6.3 is binding:-

6.6.3.1 on an interim basis from the time it takes effect until it is put to a vote at the next general meeting of Members' of the Company; and

6.6.3.2 on a permanent basis only if it has been ratified by an Ordinary resolution at the meeting contemplated above.

6.7 If a Company Rule published in terms of the above is not subsequently ratified, the Board may not make a substantially similar rule within the ensuing twelve (12) months, unless it has been approved in advance by an Ordinary Resolution at a general meeting.

7 Membership of the company

7.1 Terms and conditions of membership

7.1.1 The Company may have two (2) classes of membership who may be categorised as either voting or non-voting Members.

7.1.2 Membership shall be personal and non-transferable and shall be subject to:

7.1.2.1 Meeting the qualifying criteria as stipulated in the Professional Standards Framework;

7.1.2.2 Observance of the professional membership Code of Conduct and any other requirements as may be stipulated from time to time;

7.1.2.3 Continuing Professional Development requirements;

7.1.2.4 a clear criminal record with no convictions involving dishonesty;

7.1.2.5 payment of membership fees as determined by the Board from time to time; and

7.1.2.6 any such further or amended certification regulations and policies as may be determined by the Board of Directors from time to time.

7.1.3 Members shall be such Persons wholly or mainly engaged or employed in work related to or connected with the financial services sector, or being retired from active of full time employment, but at the time of retirement, or for a substantial part of their working life time, were wholly or mainly engaged or employed in work connected with the financial services sector, and complying with the requirements for membership as determined by the Board or the Professional Standards Committee, being a designated Board Committee.

- 7.1.4 The Person applying for membership shall make written application to the Company in the manner prescribed by the Board from time to time.
- 7.1.5 All elections and admissions of new Members shall be by the Membership Committee and every applicant shall satisfy the Professional Standards Framework as detailed by the Professional Standards Committee. The applicants would be considered subject to fulfilling the conditions, academic and otherwise, as specified by the Board from time to time.
- 7.1.6 The Board may from time to time adopt additional Company Rules regarding the application and appointment of Members, including requirements which must be satisfied by any applicant for appointment as a Member. As such, Company Rules adopted by the Board and ratified at a Members' meeting shall be binding on the Company and its Members.

7.2 Categories of members

- 7.2.1 The Professional Standards Committee will determine the category of membership of an applicant based on the applicant's ability to satisfy the terms and conditions of membership as set out in Clause 7.1 of this MOI.
- 7.2.2 Only designated members shall equal voting rights in any matter to be decided on by the Members of the Company.
- 7.2.3 Voting Members comprise:
Professional Members which shall include:
- 7.2.3.1 Fellows
 - 7.2.3.2 Associates
 - 7.2.3.3 Licentiates
 - 7.2.3.4 All past Presidents of the Company
- 7.2.4 Non-voting Members comprise:
- 7.2.4.1 General Members
 - 7.2.4.2 CPD Affiliates
 - 7.2.4.3 Students
 - 7.2.4.4 Retired members
 - 7.2.4.5 Honorary Life Members which shall include:
 - ~~(i) all past Presidents of the Company; and~~
 - (ii) any Professional Member who is appointed in recognition of meritorious service rendered to the Company or long-term service to the insurance industry.

7.3 Membership fees

- 7.3.1 Membership fees shall be determined by the Board from time to time.
- 7.3.2 All fees shall be payable annually in advance and shall become due 30 days from the date of the invoice.
- 7.3.3 Honorary Life Members shall be exempt from paying membership fees.

7.4 Termination of membership

- 7.4.1 A Member may terminate their Membership by giving thirty (30) days written notice to that effect to the office of the CEO.
- 7.4.2 Any Member shall cease to be a Member:
 - 7.4.2.1 if they are declared insolvent, or enter into any compromise with their creditors, or if their estate should be sequestrated. Upon rehabilitation, a fresh application for membership must be made if the former Member wishes to become a Member again;
 - 7.4.2.2 if they neglect or refuse to pay their annual membership subscriptions, or any other monies which may be due from them to the Company after being required, in writing, so to do, which debts shall, however, remain due to and recoverable by the Company; and **or** if they don't comply with the minimum CPD requirements.
 - 7.4.2.3 if they neglect or refuse to comply with this MOI, the Company Rules and/or any Code of Ethics Policy adopted by the Board, after being required, in writing, to do so;
 - 7.4.2.4 if they are convicted of any criminal or civil offences involving dishonesty;
 - 7.4.2.5 if they become incapable by reason of mental disorder or unsound mind;
 - 7.4.2.6 if they are deemed by the Professional Standards Committee to be unfit to continue to serve as a Member; or
 - 7.4.2.7 if they are disqualified by a court of law to serve as a Director or in any other official fiduciary capacity.
- 7.4.3 A Member may be deemed unfit or the membership suspended by the Professional Standards Committee as a consequence of:
 - 7.4.3.1 unacceptable behaviour or acts in breach of the Company's Code of Ethics;
 - 7.4.3.2 a breach of the Company's MOI or the Company Rules; or
 - 7.4.3.3 a breach of professional practice or the upholding of professional standards and ethics generally, including non-compliance with and breaches of the provisions of legislation, regulations, requirements and directives of legal regulatory bodies and authorities.

- 7.4.4 Subject to this MOI and the Company Rules, the Board shall have the power to remove the name of any Member from the Register; provided no Member's name shall be removed from the Register except pursuant to a resolution by the Professional Standards Committee which complies with the following prerequisites:
- 7.4.4.1 not less than seventy-five percent (75%) of the total number of Committee Members eligible to vote shall be present at the Professional Standards Committee meeting; and
 - 7.4.4.2 the resolution must be passed by a majority of at least seventy-five percent (75%) of the Committee Members present in person and eligible to vote at the Professional Standards Committee meeting.
- 7.4.5 Not less than thirty (30) calendar days written notice of the Professional Standards Committee meeting and its purposes shall be sent to the Member whose name the Board proposes to remove from the Register and such Member shall be given an opportunity to be heard at the Professional Standards Committee meeting.
- 7.4.6 The resolution shall only be adopted after the representations (if any) are made by the Member referred to in this clause, and such which have been duly considered.
- 7.4.7 A Member may on written application to the Company, appeal his termination of membership. Notice of such appeal must be given to the CEO in writing within thirty (30) days of the date on which the decision to terminate membership was given to the Member concerned. Such appeal shall be presented for discussion and resolution at the next scheduled Forum of Fellows meeting. Any decision taken at such Forum of Fellows meeting in regard to the appeal in question, will be forwarded to the Board for final approval and thereafter not subject to further appeal.
- 7.4.8 The termination or suspension of the membership shall result in the permanent or temporary revocation of the designation of Fellow, Associate, Licentiate or General Member as the case may be.

7.5 Register of members

- 7.5.1 The Company shall maintain a register, in the form of an electronic database or such other form as the Board may determine necessary from time to time, wherein shall be entered the name and contact details (including the electronic addresses) of every Member of the Company.
- 7.5.2 The Company shall regularly update the Register and remove the names of Persons who ceased to be Members in accordance with the provisions of this MOI; provided the Register shall be updated at least quarterly.

8 Rights of Members

8.1 Members' rights

- 8.1.1 A resolution which could be voted on at a Members' meeting may instead be adopted by written consent of the Members, given in person or by electronic communication, provided that: -
- 8.1.1.1 the resolution was submitted for consideration to the Members entitled to exercise voting rights in relation to the resolution; and
 - 8.1.1.2 the resolution is voted on in writing or by Electronic Communication by such Members within twenty (20) Business Days after the resolution was submitted to them.
- 8.1.2 A resolution contemplated above will have been adopted if it is supported by Persons entitled to exercise sufficient voting rights for it to have been adopted as an Ordinary or Special Resolution, as the case may be, at a properly constituted Members' meeting; and if adopted, has the same effect as if it had been approved by voting at a meeting.

8.2 Members' right to information

- 8.2.1 In addition to the rights of access to information as set out in Section 26 read with Regulation 24 of the Act, each Member may have access to information in terms of:
- 8.2.1.1 Section 32 of the Constitution of the Republic of South Africa 1996;
 - 8.2.1.2 the Promotion of Access to Information Act No. 2 of 2000, as amended; or
 - 8.2.1.3 any other relevant public legislation.
- 8.2.2 Each Member will also have the right to inspect and receive copies of:
- 8.2.2.1 the MOI and any amendments to it;
 - 8.2.2.2 the Company Rules and Code of Ethics;
 - 8.2.2.3 the Company's records on Directors including a list of other directorships each Director may hold;
 - 8.2.2.4 the Director's Declaration of Interests;
 - 8.2.2.5 reports presented at the AGM;
 - 8.2.2.6 the annual financial statements of the Company;
 - 8.2.2.7 the Members' Register; and
 - 8.2.2.8 the notices and minutes of Members' meetings.
- 8.2.3 A Member requesting access to any record held by the Company should do so in writing in terms of Section 26 of the Act, or any other applicable legislation as may be applicable from time to time.

8.3 Record date for exercise of member rights

8.3.1 If, at any time, the Company's Board of Directors fails to determine a record date, as contemplated in Section 59 of the Act, the record date for the relevant matter shall be determined in accordance with Section 59(3) of the Act.

8.4 Proxy representation

8.4.1 A Member may, at any time by written proxy appointment ("Proxy Instrument") which complies with this MOI and the Act, appoint any Member of the Company, as a proxy to:

8.4.1.1 participate in, and speak and vote at, a Members' Meeting on behalf of the Member; or

8.4.1.2 give or withhold written consent on behalf of the Member to a decision contemplated in Section 60 of the Act, and any such proxy appointment (and any invitation by the Company to appoint a proxy and any form supplied by the Company for use as a Proxy Instrument) shall be governed by Section 58 of the Act and Clause 8.4 of this MOI.

8.4.2 The Board may determine a standard form of Proxy Instrument and make it available to Members on request.

8.4.3 Subject to the provisions of the Act, a Proxy Instrument may be an instrument created or transmitted by electronic or other means, including electronic mail or facsimile.

8.4.4 A Proxy Instrument which complies with the Act and this MOI shall, if any meeting to which it relates is adjourned or postponed, unless the contrary is stated thereon, be valid at that meeting when it resumes after such adjournment or commences after such postponement, even if it had not been lodged timeously for use at the meeting as originally scheduled (prior to the adjournment or postponement).

8.4.5 A Member may not appoint more than one (1) Person concurrently as proxies and may not appoint more than one (1) proxy to exercise Voting Rights held by the Member.

8.4.6 A proxy may not delegate the proxy's authority to act on behalf of the Member to another Person.

8.4.7 A proxy appointment:-

8.4.7.1 must be in writing, dated and signed by the Member; and

8.4.7.2 remains valid for: –

(i) one (1) year after the date on which it was signed; or

(ii) any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in Section 58(4)(c) of the Act or expires earlier as contemplated in Section 58(8)(d) of the Act.

8.4.8 A proxy shall, as contemplated in Section 58(7) of the Act, be entitled, in the Proxy's own discretion, to exercise, or abstain from exercising, any voting right of

the Member; provided if the Proxy Instrument specifically provides otherwise then the specific provisions of the Proxy Instrument shall prevail.

- 8.4.9 A copy of the Proxy Instrument must be delivered to the Company before the proxy exercises any rights of the Member at a Members meeting. The Company shall ensure that a record of the Proxy Instruments is in accordance with the Company's records retention policy.

9 Members meetings

9.1 Requirement to hold meetings

- 9.1.1 The Company shall convene an AGM once (1) in every calendar year, but no more than fifteen (15) months after the date of the previous AGM, or within an extended time allowed by the Companies Tribunal, on good cause shown which must, at a minimum, provide for the following business to be transacted:

9.1.1.1 presentation of:

- (i) the Annual Report;
- (ii) the financial statements for the immediately preceding financial year;
- (iii) the Directors' report;
- (iv) an Audit, Risk, Investments & Governance Committee report; and
- (v) the Social and Ethics Committee report.

9.1.1.2 confirmation of the appointment of the Board to the extent required by the Act and the MOI;

9.1.1.3 the appointment of the Company's auditors;

9.1.1.4 the appointment of the Audit, Risk, Investments & Governance Committee;

9.1.1.5 the consideration of any and all other matters for which due notice has been given;

9.1.1.6 the consideration to authorise the Board to grant financial assistance between the Company and related or inter-related companies as contemplated in Section 45(3)(a)(ii) of the Act; and

9.1.1.7 the consideration of any matters raised for discussion by Members, with or without advance notice to the Company.

- 9.1.2 All Members are entitled to attend Members' meetings.

- 9.1.3 An ordinary or special general meeting may be called either:

9.1.3.1 by resolution of the AGM;

9.1.3.2 by resolution of the Board; or

9.1.3.3 at the request in writing of not less than ten (10) Members who have voting rights provided for in this MOI and provided such written request sets out the terms of the motion to be proposed.

- 9.1.4 Subject to Section 60 of the Act, the Company must hold a Members meeting –
- 9.1.4.1 at any time that the Board is required by the Act or this MOI to refer a matter to the Members for decision; and
 - 9.1.4.2 when otherwise required -
 - (i) in terms of Subsection 61(3) of the Act; or
 - (ii) by the Company's MOI.

9.2 Members' right to requisition a meeting

The right of Members to requisition a meeting, as set out in Section 61(3) of the Act, may be exercised as provided for in this MOI. Not less than ten (10) Members with voting rights may requisition the Directors to hold a meeting of Members, provided that requisition is demanded by Members in writing and such demand describes the specific purpose for which the meeting is proposed.

9.3 Location of members meetings

- 9.3.1 The authority of the Company's Board as set out in Section 61(9) of the Act to determine the location of any Members meeting, and the authority of the Company to hold any such meeting is not restricted in terms of this MOI.
- 9.3.2 The AGM may be held in more than one (1) physical location simultaneously, provided that all the locations are linked by way of electronic communication technology which enables Members who are not in the same location as the President of the Company to participate fully in the meeting. Members present in person at such other location(s) shall be deemed to be present in person for all purposes envisaged in this MOI.

9.4 Notice of members meetings

- 9.4.1 The minimum number of days for the Company to deliver a notice of a Members meeting to the Members, as required by Section 62 of the Act, is fifteen (15) business days before the meeting is to begin.
- 9.4.2 In accordance with Section 62(3) of the Act, notice of a Members meeting must be in writing and must include: -
- 9.4.2.1 the date, time and place for the meeting and the record date for the meeting;
 - 9.4.2.2 the general and / or specific purpose of the meeting (as applicable); and
 - 9.4.2.3 a copy of any proposed resolution(s) of which the Company has received notice, and which is/are to be considered at the meeting, and a notice of the percentage voting rights that will be required for that resolution to be adopted.
- 9.4.3 In the case of an Annual General Meeting, the notice must include: -
- 9.4.3.1 a summarised form of the Annual Financial Statements to be presented; and

- 9.4.3.2 directions for obtaining a copy of the complete Annual Financial Statements for the preceding financial year; and
 - 9.4.3.3 a reasonably prominent statement that a Member who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate in and vote at the meeting in place of the Member.
- 9.4.4 In accordance with Section 62(4) of the Act, if the Company fails to give the required notice of a Members meeting, or if there was a material defect in the giving of the notice, the meeting may proceed if all the Members who are entitled to exercise voting rights in respect of each item on the agenda of the meeting acknowledge actual receipt of the notice, are present at the meeting, waive notice of the meeting or in the case of a material defect in the manner and form of giving notice, ratify the defective notice.
- 9.4.5 If a material defect in form or manner of giving notice relates only to one or more particular matters on the agenda for the meeting the, in accordance with Section 62(5) of the Act: -
- 9.4.5.1 any such matter may be severed from the agenda, and the notice remains valid with respect to any remaining matters on the agenda; and
 - 9.4.5.2 the meeting may proceed to consider a severed matter, if the defective notice in respect of that matter has been ratified.
- 9.4.6 An immaterial defect in form and manner of giving notice of a Members meeting, or an accidental or inadvertent failure in the delivery of the notice, to any particular Member to whom it was addressed, does not invalidate any action taken at the meeting.
- 9.4.7 In accordance with Section 62(7) of the Act, a Member who is present at the meeting, either in person or by proxy, is regarded to have received or waived notice of the meeting, if at least the minimum notice was given; and has a right: -
- 9.4.7.1 to allege a material defect in the form of notice for a particular item on the agenda for the meeting; and
 - 9.4.7.2 to participate in the determination whether to waive the requirements for notice, or ratify a defective notice; and
 - 9.4.7.3 except to the extent set out in 9.4.7.1 and 9.4.7.2, is regarded to have waived any right based on an actual or alleged material defect in the notice of the meeting.

9.5 Electronic participation in members meetings

The authority of the Company to conduct meetings entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in Section 63 of the Act, is not limited or restricted by this MOI.

9.6 Quorum for members meetings

- 9.6.1 The quorum requirement for a Members' meeting to begin, or for a matter to be considered, shall be ten (10) of the Voting Members who are present in person or by proxy.
- 9.6.2 If within one (1) hour from the time appointed for a general meeting, or at any time during the course of a general meeting, a quorum is not present, the general meeting shall stand adjourned.

9.7 Adjournment of members meetings

- 9.7.1 A general meeting which has been adjourned as covered in Clause 9.7, shall stand adjourned to a date not earlier than seven (7) days or later than twenty-one (21) days after the date of the said adjourned meeting.
- 9.7.2 If at any adjourned meeting a quorum is not present within one (1) hour from the appointed time for such meeting to commence, the Members who are present or represented by proxy and entitled to vote shall constitute a quorum and may proceed to transact the business of the meeting.

9.8 Members resolutions

- 9.8.1 For an Ordinary Resolution to be adopted at a Members meeting, it must be supported by at least fifty percent (50%) of the Members who voted on the resolution, as provided in Section 65(7) of the Act.
- 9.8.2 For a Special Resolution to be adopted at a Members meeting, it must be supported by at least seventy-five percent (75%) of the Members who voted on the resolution.
- 9.8.3 A Special resolution adopted at a Members meeting is not required for a matter to be determined by the Company, except those matters set out in Section 65(11) of the Act; which include:
 - 9.8.3.1 the amendment of the Company MOI to the extent required by Section 16(1)(c) and Section 32(2)(a) of the Act;
 - 9.8.3.2 ratifying a consolidated revision of the Company MOI, as contemplated in Section 18(1)(b) of the Act;
 - 9.8.3.3 ratifying the actions by the Company or Directors in excess of their authority, as contemplated in Section 20(2) of the Act;
 - 9.8.3.4 authorising the Board to grant financial assistance in the circumstances contemplated in Section 45(3)(a)(ii) of the Act;
 - 9.8.3.5 approving the voluntary winding up of the Company in the circumstances contemplated in Section 81(1) of the Act;
 - 9.8.3.6 approving an application to transfer the registration of the Company to a foreign jurisdiction as contemplated in Section 82(5) of the Act;

- 9.8.3.7 approving any proposed fundamental transaction as contemplated in Item 2 of Schedule 1 of the Act.
- 9.8.4 The Board may propose any resolution to be considered by Members and may determine whether that resolution will be at a meeting, or by vote, or by written consent.
- 9.8.5 Any two (2) Members of the Company may propose a resolution concerning any matter in respect of which they are entitled to exercise voting rights as contemplated in Section 65(3) of the Act.
- 9.8.6 When proposing a resolution, it shall be delivered at least twenty-one (21) Business Days before the date of the meeting to the CEO in writing and must indicate that they require that the resolution be submitted to the Members for consideration:
- 9.8.6.1 at a meeting demanded by Members as provided for in this MOI;
 - 9.8.6.2 at the next Members' meeting; or
 - 9.8.6.3 by written vote as provided for in terms of Section 60 of the Act.
- 9.8.7 A proposed resolution must be:
- 9.8.7.1 expressed with sufficient clarity; and
 - 9.8.7.2 be accompanied by sufficient information or explanatory material to enable Members who are entitled to vote on the resolution, to determine whether to participate in the meeting and to seek to influence the outcome of the vote on the resolution.
- 9.8.8 At any time before the start of the meeting at which the resolution will be considered, a Member or Director who believes that the form of the resolution does not satisfy the requirements of the above, may, as contemplated in Section 65(5) of the Act, seek leave to apply to the court for an order:
- 9.8.8.1 restraining the Company from putting the proposed resolution to a vote until the requirements of Section 64(4) of the Act as referred to above are satisfied;
 - 9.8.8.2 requiring the Company, or the Members who proposed the resolution, as the case may be, to:
 - (i) take steps to alter the resolution so that it satisfies the requirements of Section 64(4) of the Act; and
 - (ii) compensate the applicant for costs of the proceedings, if successful.
- 9.8.9 Once a resolution has been approved, it may not be challenged or impugned by any Person in any forum on the grounds that inappropriate notice was given.

9.9 Voting

- 9.9.1 At a general meeting, voting will be by show of hands of Members having the right to vote unless the President of the Company (or the chairperson of the meeting as the case may be) demands a poll or at least five (5) Members having the right to vote on that matter, either in person or by proxy, demand a poll on that matter.
- 9.9.2 Each Member, whether present in person or by proxy, will have one (1) vote on the matters on which they are entitled to exercise voting rights.
- 9.9.3 If a poll is demanded, it shall be taken in such a manner as the President (or chairperson of the meeting as the case may be) directs, and the results of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 9.9.4 A poll which is demanded at the election of the President (or chairperson of the meeting as the case may be) or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the President (or chairperson as the case may be) of the meeting directs. The demand for a poll shall not prevent the continuation of the meeting for the transaction of any business other than the question upon which the poll is demanded.
- 9.9.5 In the case of a tie vote, the President (or chairperson as the case may be) of the meeting shall have a casting vote.

9.10 Conduct of meetings

Before any Person may attend or participate in a Members meeting:

- 9.10.1 that Person must present reasonably satisfactory identification; and
- 9.10.2 the Person presiding at the meeting must be reasonably satisfied that the right of the Person to participate and to vote, either as a Member, or as a proxy for a Member, has been reasonably verified.

9.11 Chairperson of members meetings

- 9.11.1 The President of the Company (or similarly named position as determined by the Board) shall preside as Chairperson at Members meetings.
- 9.11.2 The President of the Company shall be nominated and appointed by the Board of Directors in accordance with the process set out in Clause 10.1 of this MOI.
- 9.11.3 If there is no President of the Company, or if at any Members meeting the President of the Company is not present within 15 (fifteen) minutes after the time appointed for holding the meeting or is unwilling to act as Chairperson, the Deputy-President of the Company (or similarly named position as determined by the Board) shall be the Chairperson of the Members meeting in question, or if the Deputy-President of the Company is not present, then a Chairperson shall be elected from among the Members present and they shall act as Chairperson of the Members meeting in question.

9.11.4 The Deputy-President of the Company shall be elected by the Board of Directors in accordance with Clause 10.1 of this MOI.

9.11.5 The Chairperson of the Members meeting shall have a casting vote.

10 Board of Directors

10.1 Composition of the Board of Directors

10.1.1 The Board shall comprise a minimum of four (4) Non-Executive Directors and a maximum of twelve (12) Directors, which shall include:

10.1.1.1 a minimum of three (3) independent Non-Executive Directors; and

10.1.1.2 a majority of Non-Executive Directors.

10.1.2 Only individuals who have the requisite knowledge and skills required for the purpose of achieving the objectives of the Company, including in the field of governance, will be eligible to serve as Director.

10.1.3 At least **two (2)** Non-Executive Director shall have a minimum of five (5) years of experience in the insurance industry and shall be registered as a Professional Member in good standing with the Company.

10.1.4 At least one (1) Non-Executive Director shall be nominated from the list of Corporate Partners in good standing with the institute.

10.1.5 At least one (1) Non-Executive Director shall represent the Financial Intermediaries Association through the Chairperson of the said institution or its board representative.

10.1.6 At least one (1) Non-Executive Director shall represent the South African Insurance Association through its Chairperson.

10.1.7 A Director is considered to be independent if he/she:

10.1.7.1 has not been employed by the Company in an executive capacity for the previous 3 (three) financial years;

10.1.7.2 is not a member of the immediate family of an individual who has in any of the past 3 (three) financial years, been employed by the Company in an executive capacity;

10.1.7.3 is not a professional advisor to the Company other than in a Director capacity;

10.1.7.4 is free from any business or other relationship which could be seen to materially interfere with an individual's capacity to act in an independent manner;

10.1.7.5 is not a significant supplier or client of the Company; and

10.1.7.6 has no significant contractual relationship with the Company.

10.1.8 All Board members are required to become at least General members of the institute.

- 10.1.9 The Board shall appoint a maximum of three (3) Executive Directors, including the CEO (if not already in office at the time of the adoption of this MOI).
- 10.1.10 The Board shall elect from its number a chairperson and deputy chairperson who shall be known as the President and Deputy-President of the Company.
- 10.1.11 Nominations for President and Deputy-President shall be submitted to the Remuneration, Nominations & Human Resources Committee at least forty-five (45) days prior to the AGM to allow sufficient time for the Remuneration, Nominations & Human Resources Committee to perform the necessary reference and background checks in accordance with its agreed procedures.
- 10.1.12 No candidate shall be elected as President or Deputy-President without their written consent.
- 10.1.13 The President and Deputy-President shall both be an Independent Non-Executive Directors of the Company.
- 10.1.14 The President and Deputy-President shall be elected by majority vote of the Board of Directors at the first meeting following the AGM.
- 10.1.15 The President and Deputy-President shall serve in their respective capacities for the remainder of their term of office as Directors or until they resign, become ineligible or are disqualified from serving as Directors of the Company.
- 10.1.16 No Alternate Directors may be appointed.
- 10.1.17 Any failure by the Company at any time to have the minimum number of Directors, does not limit or negate the authority of the Board, or invalidate anything done by the Board or the Company. For the avoidance of doubt, for as long as the number of Directors is reduced below the minimum number of Directors stipulated above, the continuing Director(s) may continue to act, but only:
- 10.1.17.1 to preserve and secure the assets and enterprise of the Company, and to ensure the continuity of its business activities and functions; and/or
- 10.1.17.2 to cause vacancies to be filled, and the number of Directors to be increased to the required minimum in accordance with the provisions of this MOI; and/or
- 10.1.17.3 to initiate the process of appointing such additional Directors as may be required.
- 10.1.18 Any casual vacancy occurring on the Board may be filled:
- 10.1.18.1 by a new appointment, if the Director was appointed as contemplated in Section 66(4)(a)(i) of the Act;
- 10.1.18.2 by the Board on a temporary basis until the vacancy has been filled by election.
- 10.1.19 No election of a Director shall take effect until they have delivered to the Company a written consent to serve.
- 10.1.20 There are no *ex-officio* Directors of the Company as contemplated in Section 66(4)(a)(ii) of the Act.

- 10.1.21 In terms of Item 7(1) of Schedule 5 to the Act, any individual holding office as a Director of the Company immediately before the Date of Filing Hereof continues to hold that office as from the Date of Filing Hereof, subject to the provisions of this MOI and the Act.
- 10.1.22 The Board shall appoint one (1) or more persons to act as the authorised representative(s) of the Company at meetings of the shareholders, members or board of directors, as the case may be, of any company or organisation.
- 10.1.23 The Directors may at any time, and from time to time by power of attorney, appoint any person or persons to be the attorney or attorneys and agent(s) of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors in terms of this MOI) and for such period and subject to such conditions as the Directors may from time to time think fit. Any such appointment may, if the Directors think fit, be made in favour of any company, directors, nominees or managers of any company or firm, or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys and agents as the Directors think fit. Any such attorneys or agents as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- 10.1.24 A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company or other juristic person 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 or juristic person.

10.2 Nominations and appointment process

- 10.2.1 The Board shall, no later than sixty (60) days before the existing elected Directors are to vacate the office, give notice to Members to invite Members to propose to the Board individuals for nomination as Directors.
- 10.2.2 A Member wishing to nominate a Person to the Board shall submit to the Remuneration, Nominations & Human Resources Committee the details of the nominee in such form as may be prescribed by the Board from time to time. The said form shall, as a minimum, contain:
- 10.2.2.1 the curriculum vitae of the nominee;
 - 10.2.2.2 the names and signatures of the proposer;
 - 10.2.2.3 the names and signature of the seconder;
 - 10.2.2.4 the name, written consent and signature of the individual proposed;

- 10.2.2.5 a written declaration by the nominee, stating they have no conflict of interest, neither any civil and / or criminal convictions;
 - 10.2.2.6 a written declaration of past and current directorships; and
 - 10.2.2.7 a written declaration by the Person nominating that, to the best of their knowledge, the nominee is eligible to be a Director.
- 10.2.3 Once the Remuneration, Nominations & Human Resources Committee has completed its work, the Board of Directors shall be presented with the approved list of nominees and shall determine the number of Board Directors before the election process starts.
- 10.2.4 The nominees receiving the most number of votes will be appointed in descending order for the positions that are available.
- 10.2.5 The Board shall notify the Corporate Partners of any Appointed Directors whose term of office is expiring, and which position of Appointed Director will need to be filled. A Corporate Partner shall submit to the Remuneration, Nominations & Human Resources Committee the details of their intended appointee in such form as may be prescribed by the Board from time to time. The said form shall, as a minimum, contain:
- 10.2.5.1 the curriculum vitae of the appointee;
 - 10.2.5.2 the names and signatures of the Corporate Partner;
 - 10.2.5.3 the name, written consent and signature of the individual proposed;
 - 10.2.5.4 a written declaration by the appointee, stating they have no conflict of interest, neither any civil and / or criminal convictions;
 - 10.2.5.5 a written declaration of past and current directorships; and
 - 10.2.5.6 a written declaration by the Person appointing the Director that, to the best of their knowledge, the appointee is eligible to be a Director.
- 10.2.6 The Board may appoint an individual who satisfies the requirements for election as a Director to fill any vacancy and serve as a Director of the Company on a temporary basis until the vacancy has been filled by election in terms of this MOI.
- 10.2.7 The Board may remove any Director by a majority vote if the Board determines that the Director in question is ineligible or disqualified, incapacitated, or negligent or derelict in the performance of their duties, as they case may be, provided that notice has been given to the Director in question and they have been given a reasonable opportunity to make a presentation as contemplated in Section 71(4) of the Act. In accordance with Section 71(9) of the Act, such removal will be without prejudice to any claim the Director may have for damages or other compensation for loss of office as a Director, or loss of any other office as a consequence of being removed as a Director.

10.3 **Directors' duties**

A Director shall adhere to the standards of director conduct as contemplated in Section 76 of

the Act, which require the Directors of the Company, when acting in that capacity, to exercise the powers and functions of a director such that they act:

- 10.3.1 in good faith and for proper purpose;
- 10.3.2 in the best interests of the Company; and
- 10.3.3 with the degree of care, skill and diligence that may reasonably be expected of an individual: –
 - 10.3.3.1 carrying out the same functions in relation to the Company as those carried out by that Director; and
 - 10.3.3.2 having the general knowledge, skill and experience of that Director.

10.4 Ineligibility and disqualification of individuals to be Directors or Prescribed Officers

- 10.4.1 No Person shall be elected as a Director if they are ineligible or disqualified in terms of the Act or in terms of this MOI, and any such election shall be a nullity. A Person who is ineligible or disqualified must not consent to being elected as a Director nor act as a Director. A Person placed under probation by a court must not serve as a Director unless the order of court so permits. A Director shall cease to hold office as a Director immediately if (and no Person shall be eligible to be appointed as a Director if) he files a petition for the surrender of his estate or an application for an administration order, or if he commits an act of insolvency as defined in the insolvency law for the time being in force, or if he makes any arrangement or composition with his creditors generally.
- 10.4.2 In addition to the grounds of ineligibility and disqualification of Directors as contained in Section 69 of the Act, a Director shall cease to hold office or be eligible to continue acting as Director if they:
 - 10.4.2.1 resigns in writing or dies;
 - 10.4.2.2 is absent from two (2) consecutive meetings of the Board and all events arranged by the Company occurring within a period of six (6) consecutive months without the leave of the Board, and the Board resolves that their office shall be vacated;
 - 10.4.2.3 becomes insolvent, or if they surrender their estate for the benefit of their creditors, or makes an offer of compromise to their creditors in circumstances where their liabilities exceed their assets;
 - 10.4.2.4 becomes unsound of mind;
 - 10.4.2.5 is directly/indirectly interested in any contract with the Company and fails to declare the nature and details of their interest in writing to the Board at the first reasonable opportunity, or having declared the nature and details to the Board, having failed to obtain written permission from the Board to continue with such contract;
 - 10.4.2.6 is found guilty by the Company of contravening the Code of Ethics and Professional Responsibility or of unprofessional conduct, and sentenced to:

- (i) a fine exceeding an amount to be determined by the Board from time to time and published for information to the Members; or
 - (ii) termination of membership for any period of time, and a period of ten (10) years since such finding by the Company has not elapsed;
- 10.4.2.7 is elected as director or serves on any committee of another similar body with conflicting objectives, without the written consent of the Board; or
- 10.4.2.8 is, in the opinion of two-thirds of the Board of Directors, guilty of actions which are detrimental to the Company or its Members.

10.5 **Directors' terms of office**

- 10.5.1 Save for the Executive Directors, the Directors shall retire every three (3) years by rotation, but a retiring Director shall be eligible for nomination and re-election; provided a Director shall not serve for more than three (3) consecutive terms of three (3) years each.
- 10.5.2 To regularise the terms of office of the Directors, for a period of three (3) years after the adoption of this MOI:
- 10.5.2.1 at the Board meeting immediately preceding the second AGM following the adoption of this MOI (provided such Board meeting is held at least more than twenty-one (21) calendar days prior to the AGM), one-third of the Directors (chosen by lot, or volunteering to do so) shall retire from office;
 - 10.5.2.2 in the third year after the adoption of this MOI, the remaining Directors from those that were in office at the time of the adoption of this MOI (excluding those contemplated in Clause 10.5.2.1.) shall retire in the manner set forth above;
 - 10.5.2.3 following the period of three (3) years after the adoption of this MOI at the Board meeting immediately preceding the AGM (provided that such meeting is held at least more than twenty-one (21) calendar days prior to the AGM), one-third of the Directors (or if the number of Directors at any given time is not divisible by three, not less than one-third) shall retire from office on the basis that the Directors to retire in each year shall be those who shall have been the longest in office since their appointment or re-appointment (whichever is the later).
- 10.5.3 A retiring Director at a general meeting shall retain office until the close or adjournment of such general meeting.
- 10.5.4 If at any meeting at which an election of Directors ought to take place the offices of the retiring Directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the further provisions of this MOI, will apply to such adjournment. If at such adjourned meeting the vacancies are not filled, the retiring Directors, or such of them as have not had their offices filled, shall be deemed to have been re-elected at such adjourned meeting.
- 10.5.5 Neither the CEO nor any of the other Executive Directors shall have a prescribed term of office as a Member of the Board.

10.6 Remuneration, Nominations & Human Resources Committee

- 10.6.1 The Remuneration, Nominations & Human Resources Committee shall comprise of at least two (2) Non-Executive Directors, the majority of whom shall be independent. Members of the Remuneration, Nominations & Human Resources Committee must have the requisite knowledge, experience and skills to enable them to assume the responsibility for determining the eligibility and merit of the candidacy of Persons to be appointed to the Board from time to time.
- 10.6.2 The President of the Board shall be a member of the Remuneration, Nominations & Human Resources Committee, but should not be its Chairperson for as long as remuneration and human resources matters form part of the Committee's terms of reference.
- 10.6.3 The Remuneration, Nominations & Human Resources Committee shall consider the proposals received from Members and vet the candidates against criteria outlined in the Act and in this MOI and receive confirmation from the CEO that the candidate is a Member in good standing (where applicable). Thereafter the Remuneration, Nominations & Human Resources Committee shall prepare a list of duly vetted individuals nominated by the membership for election as Directors by the Members and submit such a list to the Members before the Members' meeting is scheduled to elect Directors.
- 10.6.4 The Remuneration, Nominations & Human Resources Committee shall also consider proposals from Corporate Partners to appoint Directors and shall vet such appointees against the criteria of the Act and this MOI prior to submitting a list of the appointees to the Board for confirmation. A list of such appointees shall also be made available to the Members at the next general meeting.
- 10.6.5 The Remuneration, Nominations & Human Resources Committee shall consider and review the composition, skills, experience and performance of the Board from time to time.
- 10.6.6 To facilitate and inform such consideration and review of the Board, the Remuneration, Nominations & Human Resources Committee shall, on an annual basis, first determine the number of new Directors who are to be appointed by the Members and thereafter cause a written notice to be addressed to all Voting Members of the Company, calling for nominations to the Board. Such Notice shall be addressed at least sixty (60) days prior to the date of the Members' meeting scheduled to appoint Directors.
- 10.6.7 Upon receipt of such notice, any Members may nominate any number of eligible individuals to be considered by the Remuneration, Nominations & Human Resources Committee for appointment to the Board, provided such nominations are in writing, and delivered to the registered office of the Company at least fourteen

(14) days prior to the date of the forthcoming Member meeting. Any such nomination must also include:

10.6.7.1 the written consent of the individual/s so nominated; and

10.6.7.2 a written motivation indicating the reasons for any such proposal, including particulars as to the attributes, skills, and experience of the individual/s so proposed.

10.6.8 The Remuneration, Nominations & Human Resources Committee shall consider the candidacy of any eligible individuals who may have been duly proposed as aforesaid for appointment to the Board.

10.6.9 Upon completion of the review contemplated above, the Remuneration, Nominations & Human Resources Committee shall issue a further written notice to Members at least seven (7) days prior to the date of the relevant Members' meeting, stating the names of the individuals whom it proposes should be appointed to fill the relevant positions on the Board. Such notice shall also state that any Member who may be dissatisfied with the names of one or more of the candidates so proposed for appointment by the Remuneration, Nominations & Human Resources Committee, shall be entitled to challenge such appointment/s, provided any such challenge shall only be considered if it:

10.6.9.1 is in writing, duly signed by or on behalf of a Member; and delivered to the registered office of the Company not less than three (3) days prior to the date of the forthcoming Members' meeting;

10.6.9.2 is supported by at least two (2) other Members (in addition to the Member who is the initiator of the challenge);

10.6.9.3 incorporates substantive reasons and motivation for any such challenge;

10.6.9.4 includes the name, and relevant particulars of an alternative candidate to be considered for appointment; and

10.6.9.5 includes the written consent of such alternative candidate to accept appointment, if so invited and subject to the appointment provisions contained in this MOI.

10.6.10 In addition to the requirements itemised above, a challenge shall only be considered as having been validly made at the relevant time if the Remuneration, Nominations & Human Resources Committee confirms that the proposed alternative candidate is in fact eligible and suitably qualified for appointment to the Board, having regard to, *inter alia*, such eligibility guidelines contained in this MOI as well as the requirements of the Act. Any difference or dispute between the Member who initiated the challenge and the Remuneration, Nominations & Human Resources Committee as to the compliance with such conditions, including the eligibility and suitability of an alternative candidate, shall be referred for final determination by the Board, whose decision shall be final and binding.

- 10.6.11 If no valid challenge is made, the individuals proposed by the Remuneration, Nominations & Human Resources Committee for appointment as Directors shall be considered by the Members in the ordinary course.
- 10.6.12 If a challenge is validly made, the choice between the candidate proposed by the Remuneration, Nominations & Human Resources Committee and the alternative candidate proposed by the challenger shall be placed before the Member meeting, and the issue determined by majority vote of all Members present at the meeting.

10.7 Authority of Board Directors

- 10.7.1 The authority of the Board of Directors to exercise all powers and perform any of the functions necessary to manage and direct the business and affairs of the Company are not limited except to the extent that the Act or this MOI provide otherwise.
- 10.7.2 The Board may delegate any of its powers or functions to any Director, employee(s) and or to a Committee of the Board or the Company. The delegation shall be exercised lawfully within the prescribed powers and authorisation levels and in terms of the Company's policies, directives, and procedures.
- 10.7.3 The delegation: -
- 10.7.3.1 may be made on and subject to any conditions determined by the Board of Directors; and
 - 10.7.3.2 may not be sub-delegated.
- 10.7.4 The Board may also from time to time revoke, withdraw or vary such powers as contemplated in Clause 10.7.3.
- 10.7.5 Notwithstanding any delegation to any Director, employee(s) and or Committee of the Board, the Board remains accountable for the achievement of the objectives of the Company and for the execution of its responsibilities and duties.
- 10.7.6 The Board may from time to time appoint any Person (whether being a duly appointed representative of a Member or not) as CEO of the Company provided such individual has suitable tertiary qualifications and a minimum of five (5) years of experience in managing and leading a non-profit organisation. The CEO may be appointed for such term and at such remuneration and generally on such terms as the Board may think fit, and (subject to any contract between the Board and such CEO) may remove them and appoint some other individual as CEO in their place. It may be made a term of their appointment that they be paid a pension, gratuity or other benefit on their retirement from office.
- 10.7.7 The Remuneration, Nomination, and Human Resource Committee shall annually review the performance of the CEO against predetermined targets and objectives.

- 10.7.8 The Board shall, in accordance with the provisions of the Act, consider and determine the funding structures of the Company having regard to the funding requirements of the Company from time to time.
- 10.7.9 Subject to the provisions of the Act and/or any restrictions contained in this MOI, the Board may from time to time borrow, raise or secure the payment of such sum or sums of money as it may deem necessary for the purposes of the objects of the Company.
- 10.7.10 Subject to the provisions of the Act and/or any restrictions contained in this MOI, the Board may issue guarantees, indemnities or securities or enter into any transactions that bind the Company to any future financial commitment.
- 10.7.11 No regulation made by the Members in general meeting shall invalidate any prior act of the Board which would have been valid in terms of the Act as well as the provisions of this MOI, if that regulation had not been made.
- 10.7.12 The Board shall approve a delegation of authority which clearly sets out the limitations on the powers of the Directors. It is the prerogative of the Board of Directors to delegate certain of its powers and functions to certain Directors, Committees and management as contemplated in the delegation of authority.
- 10.7.13 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
- 10.7.14 The Board shall establish a succession plan for its membership (the Board) which should include the identification, mentorship and development of future Board Member candidates. The succession plan must include a succession plan for the position of CEO to provide for continuity of the executive leadership.
- 10.7.15 Without prejudice to the general powers conferred by Clause 10.7.1, it is hereby expressly declared that the Board will have the following powers, to:
- 10.7.15.1 form an association or to affiliate with, or become a Member of, any other institution, society or organisation which can promote the business and objectives of the Company;
 - 10.7.15.2 prescribe a Code of Ethics and Professional Responsibility for the Company's Members, and any other rules for professional qualification, conduct and ethics as may be prescribed by the Board from time to time;
 - 10.7.15.3 participate, financially or otherwise, directly or indirectly, in the printing and publishing of a journal or a newspaper, books, pamphlets, literature or in any other kind of publication and to take ancillary action as may be required to enhance the success of the publications generally;

- 10.7.15.4 arrange and finance or to assist in arranging or financing, or to establish a legal entity to arrange and/or finance congresses, seminars, symposia and the like for the insurance industry;
- 10.7.15.5 provide or facilitate the provision, promotion and recording of continuing education to Members at centres and institutions approved by the Board, and to approve programmes and courses to be dealt with at these centres and / or institutions;
- 10.7.15.6 appoint delegates, speakers and lecturers to attend such congresses, seminars, symposia and/or training courses;
- 10.7.15.7 assist with the drafting and to approve syllabi and curricula for educational and continuing educational courses for the Company and its Members;
- 10.7.15.8 consult and liaise with Government Departments, the Financial Services Conduct Authority or other interested organisations or persons in matters relating to legislation, regulation, directives, rules and interests of the Company, its Members and the industry;
- 10.7.15.9 accept donations, grants and other monies for the furtherance of the objects of the Company;
- 10.7.15.10 borrow, raise or secure any sum of money required for the business and objectives of the Company upon such terms and on such securities as may be determined by the Board. Without derogating from the generality thereof, to execute a mortgage and/or notarial bond or to issue debenture stocks charged upon all or any of the property of the Company;
- 10.7.15.11 purchase, accept, exchange, hire or otherwise acquire any movable or immovable property or any rights and privileges in such property at a price and generally upon such terms and conditions as they think fit;
- 10.7.15.12 sell, improve, manage, develop, lease, mortgage, dispose of, or otherwise deal with or encumber all or any part of the property of the Company;
- 10.7.15.13 invest the funds of the Company or any portion thereof in such securities and in such manner as the Board may from time to time determine and to vary or transpose such investments at its discretion;
- 10.7.15.14 open and operate banking accounts and saving accounts with registered banking institutions;
- 10.7.15.15 apply the income and property of the Company however derived, solely towards the promotion of the business and objectives of the Company as set forth in this MOI, and no portion thereof to be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise whatsoever by way of profit, to the Members, Directors, officers, Prescribed Officers or related persons of the Company, provided that nothing herein contained shall prevent the payment in good faith of reasonable remuneration to any Directors, Company

officers, Prescribed Officers or related party of the officer, servant or Member of the Company in return for authorised services actually rendered to or on behalf of the Company;

- 10.7.15.16 levy fees or subscriptions, and/or financial penalties, and/or interest on its Members;
- 10.7.15.17 suspend and/or terminate the membership of a Member in accordance with the MOI and the applicable Company Rules;
- 10.7.15.18 appoint at their discretion, remove or suspend the CEO of the Company, whether temporary or permanent, as they from time to time may think fit, and to determine their power, duties and fix their remuneration and to require security in such instances and to such amounts as they think fit;
- 10.7.15.19 establish or contribute towards a pension fund or scheme and to contribute towards a medical benefit or aid scheme on behalf of employees of the Company upon such terms as approved by the Board of Directors;
- 10.7.15.20 make and amend Company regulations by general resolution. The Board, in amending and/or making new regulations, may cover any matter or aspect that it considers necessary or expedient to prescribe for the better execution of this MOI and the furtherance of the objectives and business of the Company. Such regulations will become binding when notice thereof has been given to Members in such manner as the Board from time to time may decide;
- 10.7.15.21 interpret any section of this MOI, including the provisions of the Company Rules and regulations made in terms hereof or the Code of Ethics and Professional Responsibility if any dispute arises as to its meaning. Such interpretation, once approved by simple majority of the Directors and published to the Members, shall be binding on all Members with immediate effect;
- 10.7.15.22 make, amend or repeal any necessary or incidental rules relating to the governance of the Company that are not addressed in the Act or this MOI;
- 10.7.15.23 appoint Board Committees and other special or *ad hoc* committees, provided that the Members of any such Committees shall be elected in accordance with the Act, or this MOI or Committee Charter; to regulate such Committees; to determine, withdraw or modify the power and authority of such Committees; and to dissolve them, as deemed necessary by the Board of Directors;
- 10.7.15.24 create, qualify, admit and designate Members of the Company; to create and determine Member's professional designations; to create categories of membership and affiliations to the Company in terms of the MOI; to alter, transfer and abolish Member's professional designation(s) and to suspend or terminate the membership of Members in terms of this MOI or other regulations governing such actions;

- 10.7.15.25 make, vary and repeal regulations necessary to regulate the business of the Company and matters relating to its Board Committees, Members, officers and servants, and to enforce such regulations, provided that such regulations shall not be in conflict with this MOI, the objectives and the powers of the Company or the Act;
 - 10.7.15.26 to institute legal proceedings in the name of the Company, to defend or oppose any legal action brought against the Company and to engage the services of legal counsel and to pay its/their fees;
 - 10.7.15.27 to enter into agreements for the furtherance of the objects of the Company and to authorise the settling of the terms and conditions thereof and the signature of any such agreement or any other related document;
 - 10.7.15.28 to affiliate and to associate with such other insurance institutes or bodies as may in the opinion of the Board of Directors be deemed beneficial to the interests of the Company and to contribute or subscribe to bodies with objects similar to the objects of the Company; and
 - 10.7.15.29 to generally do whatever the Board deems necessary to enable it to carry out the objects of the Company and to exercise the powers and to perform the functions and to discharge the duties given to it in the Act or imposed upon it in terms of this MOI.
- 10.7.16 Where a Director or a related person to the Director, as contemplated in the Act, contracts with the Company as vendor or purchaser or by way of any contract or arrangement in which they or their related person has an interest, the procedure as set out in Section 75(4) and 75(5) of the Act must be followed.

10.8 **Board Committees**

- 10.8.1 The Board may appoint any number of Board Committees and delegate to such Committees any authority of the Board, provided always that the Board shall appoint such Committees (if any) which it may be obliged to appoint in terms of the Act.
- 10.8.2 A Board Committee may include individuals who are not Directors provided they are not ineligible or disqualified to be Directors and provided no such individual shall have a vote on a matter to be decided by the Board Committee.
- 10.8.3 No individual shall be appointed as a Member of a Board Committee if they is ineligible or disqualified and any such appointment shall be a nullity, and any individual so appointed shall cease to hold office immediately after they become ineligible or disqualified in terms of the Act and/or this MOI.
- 10.8.4 An individual who is ineligible or disqualified must not consent to be appointed as a Member of a Board Committee nor act as such a Member. An individual placed under probation by a court must not serve as a Member of a Board Committee unless the order of the court so permits.

- 10.8.5 Subject to the provisions in relation to the Remuneration, Nominations & Human Resources Committee, there are no general qualifications prescribed by the Company for an individual to serve as a Member of a Board Committee, save for the requirements of the Act and this MOI, and the following specific conditions, namely that:
- 10.8.5.1 the Board shall determine the composition and membership of each Board Committee, and may review its own decisions with respect thereto;
 - 10.8.5.2 the Board shall appoint a minimum of two (2) individuals who serve as Directors to serve on a Board Committee;
 - 10.8.5.3 the Board may appoint individuals who are not Directors to serve on a Board Committee;
 - 10.8.5.4 the Chairperson of such Board Committee must be a designated Non-Executive Director of the Company; and
 - 10.8.5.5 each such Board Committee shall at all times remain accountable to the Board for the performance of its delegated functions and the Board shall not be divested of its overriding substantive powers by reason of any such delegation.
- 10.8.6 Any written reports and/or recommendations issued by any such Board Committee must record any dissenting minority views in relation to the subject matter thereof.
- 10.8.7 Any such Board Committee shall, in the exercise of its powers and functions conform to all rules, restrictions or procedures imposed upon it by the Board, including such that may relate to quorum, voting, frequency of meetings, and notices.
- 10.8.8 The Board shall be entitled, should it deem this necessary, to vary its directions, and to disestablish any such Committee at any time, without being required to give prior notice, or to give reasons for its decisions.
- 10.8.9 Without derogating from the generality of the foregoing, the Board has elected as a minimum to appoint the following Board Committees (which committees' names may be changed from time to time, as the circumstances or the context may require):
- 10.8.9.1 a Remuneration, Nominations & Human Resources Committee;
 - 10.8.9.2 an Audit, Risk, Investment & Governance Committee;
 - 10.8.9.3 a Social and Ethics Committee; and
 - 10.8.9.4 a Professional Standards Committee.
- 10.8.10 The Board Committees may establish Sub-Committees and other *ad hoc* committees as required from time to time to enable them to perform their roles and responsibilities. The Board shall approve the composition and terms of reference of such Sub-Committees.

10.9 Directors' meetings

- 10.9.1 The authority of the Company's Board of Directors to consider a matter other than at a meeting, as set out in Section 74 of the Act is not limited or restricted by this MOI. A decision may be adopted by "Round Robin" resolution with the approval of

- the majority of the Directors given in person or by Electronic Communication provided each Director has received notice of the matter.
- 10.9.2 The right of the Company's Directors to request a meeting of the Board, as set out in Section 73(1) of the Act, may be exercised by at least two (2) Directors.
- 10.9.3 The President of the Board may call a meeting at any time, but must call such meetings at least three (3) times a year.
- 10.9.4 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) of the Act, is not limited or restricted by this MOI.
- 10.9.5 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) of the Act, is not limited or restricted by this MOI, provided that the Electronic Communication facility ordinarily employed enables all persons participating in the meeting to communicate concurrently with each other without an intermediary and to participate effectively in the meeting.
- 10.9.6 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) of Act, is not limited or restricted by this MOI.
- 10.9.7 The President of the Company, or in his absence, the Deputy President, shall be entitled to preside over all meetings of the Directors. If no President or Deputy President is elected, or if at any meeting neither is present or willing to act as chairperson of thereof within fifteen (15) minutes of the time appointed for the holding of the meeting, the Directors present shall choose one (1) of their number to be chairperson for that meeting.
- 10.9.8 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 set out in Section 73(5) of the Act, namely:
- 10.9.8.1 if all the Directors of the Company acknowledge actual receipt of the notice; are present at a meeting; or waive notice of the meeting; the meeting may proceed even if the Company failed to give the required notice of that meeting, or there was a defect in the giving of the notice;
- 10.9.8.2 a majority of the Directors must be present at a meeting before a vote may be called at a meeting of the Directors. All votes shall be by a show of hands or verbal communication unless the meeting adopts a motion that a vote is taken by ballot;
- 10.9.8.3 each Director has one (1) vote on a matter before the Board;
- 10.9.8.4 a majority of the votes cast on a resolution is sufficient to approve that resolution;
- 10.9.8.5 in the case of a tied vote the President has a casting vote.

10.9.9 If within thirty (30) minutes of the appointed time for the Board meeting a quorum is not present, such meeting shall stand adjourned to the same time and place no later than five (5) Business Days after the date of the meeting and with written notice or Electronic Communication to all Directors.

10.9.10 The Directors present at such adjourned meeting shall be a quorum irrespective of the number of Directors present.

10.9.11 Resolutions adopted by the Board:

10.9.11.1 Must be dated and sequentially numbered; and

10.9.11.2 Are effective as of the date of the resolution, unless any resolution states otherwise.

10.10 Minutes of board meetings

10.10.1 The Directors must cause minutes to be kept of:

10.10.1.1 all appointments of officers made by the Board;

10.10.1.2 a register of the names of the Directors present at each Board meeting, and of any Committee of Directors;

10.10.1.3 a register of the names of Members and/or their duly appointed representatives present at every general meeting of the Company; and

10.10.1.4 all resolutions and proceedings at all meetings of the Company and the Directors, and of Committees of the Board.

10.10.2 Such minutes shall be signed by the President or the chairperson of the meeting (as the case may be) at which the proceedings took place, or by the chairperson of the next succeeding meeting.

10.11 Financial assistance to Directors and Prescribed Officers

As contemplated in Section 45 of the Act, the Company may not provide a loan to, secure a debt or obligation of, or otherwise provide direct or indirect financial assistance to, a Director of the Company or of a related or inter-related company, or to a person related to any such Director.

10.12 Indemnification of Directors and Prescribed Officers

10.12.1 The authority of the Company's Board of Directors to advance expenses to a Director or Prescribed Officer, or indemnify a Director or Prescribed Officer, in respect of the defence of legal proceedings, as set out in Section 78(3) of the Act, is not limited or restricted by this MOI; provided such expenses so advanced are recoverable from insurance purchased in terms of Clause 10.12.3.

10.12.2 The authority of the Company's Board of Directors to indemnify a Director or Prescribed Officer in respect of liability, as set out in Section 78(5) of the Act is not limited or restricted by this MOI.

10.12.3 The authority of the Company's Board of Directors to purchase insurance to protect the Company, including a Director and Prescribed Officer, as set out in Section 78(7) of the Act is not limited or restricted by this MOI.

10.13 Remuneration and expenses of Directors and members of Board Committees

10.13.1 The Directors of the Board or Members of Board Committees shall at the discretion and approval of the Board, be reasonably remunerated for their services as Directors or Members of Board Committees.

10.13.2 The Directors of the Board and Members of Board Committees shall be entitled to any reasonable expenses for travelling (including expenses incurred in respect of accommodation) to and from meetings of the Board or Board Committees.

10.14 Prescribed Officers

10.14.1 The onus is on the CEO to determine, within the structures of the Company, which positions fulfil the requirements of a Prescribed Officer and to make such appointments to these positions as they consider necessary to better achieve the objects of the Company. The CEO must provide feedback to the Board of Directors on all such appointments.

10.14.2 The terms of engagement, or any amendments thereto, of such Prescribed Officers shall be set out in appropriate letters of appointment.

10.14.3 No individual shall hold office as a Prescribed Officer, if they are ineligible or disqualified in terms of the Act.

10.14.4 An individual who is ineligible or disqualified in terms of the Act, must not consent to being appointed to an office or undertake any functions which would result in them being a Prescribed Officer, nor act in such office nor undertake any such functions.

10.14.5 An individual placed under probation by a court must not consent to being appointed to an office or undertake any functions which would result in them being a Prescribed Officer, nor act in such office nor undertake any such functions unless the court order so permits.

10.14.6 A Prescribed Officer shall cease to hold office as such immediately when they become ineligible or disqualified in terms of the Act.

11 Company Secretary

11.1 The company secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as the Board may deem fit.

11.2 The company secretary must have the requisite knowledge of, or experience in, relevant laws and be a permanent resident of the Republic of South Africa; and remain so while serving in this capacity.

11.3 The Board must fill any vacancy in the office of company secretary within sixty (60) Business Days after such vacancy arises by appointing a person whom the Directors consider to have the requisite knowledge and experience.

12 Auditors

12.1 Auditors

- 12.1.1 Every year at its AGM, the Company shall appoint a registered auditor, in the manner and for the purposes set out in Part C of the Act.
- 12.1.2 If the Company appoints a firm as an auditor, the individual determined by that firm, in terms of Section 44(1) of the Auditing Professions Act, No. 26 of 2005 is responsible for performing the functions of the auditor.
- 12.1.3 The auditor shall hold office until the conclusion of the following AGM of the Company.

12.2 Rotation of Auditors

- 12.2.1 The Company shall adhere to the provisions of Section 92 of the Act in respect of the rotation of auditors, such that:
 - 12.2.1.1 the same individual may not serve as the auditor or designated auditor of the Company for more than five (5) consecutive financial years;
 - 12.2.1.2 if an individual has served as the auditor or designated auditor of the Company for two (2) or more consecutive financial years and then ceases to be the auditor or designated auditor, the individual may not be appointed again as the auditor or designated auditor of the Company until after the expiry of at least two (2) further financial years.
- 12.2.2 If the Company has appointed two (2) or more persons as joint auditors, the Company must manage the rotation required by this section in such a manner that all the joint auditors do not relinquish office in the same year.
- 12.2.3 If the Company meets the requirements of a public interest entity, it must comply with the requirement for mandatory audit firm rotation as published by the Independent Regulatory Board for Auditors.

13 Protected Disclosures

The Company shall, in terms of Section 159(7) of the Act, establish and maintain a system to receive disclosures contemplated in Section 159 of the Act and will publicise the availability of the whistleblowing system by conspicuously displaying a notice to that effect, setting out the contact details of the Person(s) responsible for receiving any such disclosure:

- 13.1 at the registered office of the Company, the principal places of conducting the business activities of the Company, and at any workplace where employees of the Company are employed; and
- 13.2 on the Company's website that is maintained by the Company and intended to be accessible by the categories of Persons enumerated in Section 159(4) of the Act.

14 Financial Year-End

The financial year-end of the Company shall be 31 December, or such other date as may be determined by the Board from time to time.

15 Accounting records and Annual Financial Statements

- 15.1 The Company must keep accurate and complete accounting records as necessary to enable it to satisfy its obligations in terms of the Act or any other law with respect to the preparation of financial statements, including any prescribed accounting records, which must be kept in a prescribed manner and form.
- 15.2 The financial statements must be prepared in accordance with the International Financial Reporting Standards which are appropriate for the size of the Company and relevant at the time of preparation.
- 15.3 The accounting records must be kept at, or be accessible from, the registered office of the Company.
- 15.4 Each year, the Company shall prepare Annual Financial Statements within six (6) months after the end of its financial year.

16 Dissolution and winding-up

- 16.1 Despite any provision in law or agreement to the contrary, upon the winding-up or dissolution of the Company:-
 - 16.1.1 no past or present Director of the Company, is entitled to any part of the net value of the Company after its obligations and liabilities have been satisfied; and
 - 16.1.2 the entire net asset value of the Company must be distributed to one or more non-profit companies, registered external non-profit companies carrying on activities within the Republic of South Africa, voluntary associations or non-profit trusts:-
 - 16.1.2.1 having objectives similar to those of the Company; and
 - 16.1.2.2 as determined:
 - (i) in terms of Clause 1 of this MOI;
 - (ii) by the Directors at, or immediately before the time of its dissolution; or
 - (iii) by the court if this MOI, or the Directors fail to make such a determination.
- 16.2 The Companies and Intellectual Properties Commission may apply to the court on behalf of the Company for a determination contemplated in Clause 16.1.2.2.3 if the Company has:
 - 16.2.1 no remaining Directors; and
 - 16.2.2 failed to:
 - 16.2.2.1 make a determination contemplated in Clause 16.1.2.2; or

16.2.2.2 apply to court for such a determination.

16.3 Any resolution for the winding up or deregistration of the Company must be approved by the Commissioner of the South African Revenue Service.

17 Amalgamation and fundamental transactions

17.1 The Company may not amalgamate or merge with, or convert to, a profit company; or 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.

17.2 For any proposal to dispose of all or the greater part of the Company's assets or undertaking or amalgamate or merge with another non-profit company, the matter will be subject to approval by way of Special Resolution of the Members.