

C O N S T I T U T I O N

OF THE

SOUTH AFRICAN POULTRY ASSOCIATION

September 2015

CONSTITUTION OF THE SOUTH AFRICAN POULTRY ASSOCIATION

PART A - THE ASSOCIATION

1. NAME OF THE ASSOCIATION

The Association shall be known as "**THE SOUTH AFRICAN POULTRY ASSOCIATION**" – **(SAPA)**.

2. LEGAL STATUS

The Association is a body corporate with its own legal identity separate from its Members which may sue and be sued in its own name.

3. INTERPRETATION

The headings of the paragraphs in this Constitution are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Constitution nor any paragraph hereof or of any schedule hereto. Unless a contrary intention clearly appears -

3.1 words importing -

3.1.1 any one gender include the other two genders;

3.1.2 the singular include the plural and *vice versa*; and

3.1.3 natural persons include created entities (corporate or unincorporate) and the state and *vice versa*;

3.2 the following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely -

3.2.1 "**Allied Member**" is as defined in clause 5.1.3;

3.2.2 "**the Association**" or "**SAPA**" means The South African Poultry Association;

3.2.3 "**Broader Poultry Industry**" means the full commercial farming, processing and trading poultry industry in South Africa comprising *inter alia* those categories of broiler and egg producers referred to in clauses 18.1.2.1 and

18.1.2.2, and including the allied industries consisting of all direct and indirect suppliers to the broiler and egg production and processing industries;

- 3.2.4 "**Broiler Committee**" means the national committee appointed by the Broiler Organisation;
- 3.2.5 "**Broiler Industry**" means that section of the Broader Poultry Industry involved in the production and processing of Broiler Products;
- 3.2.6 "**Broiler Organisation**" means the national division of SAPA termed the "Broiler Organisation", as referred to in Part C of this Constitution;
- 3.2.7 "**Broiler Products**" shall bear the meaning as defined in the Rules adopted by the SAPA Board from time to time;
- 3.2.8 "**Codes of Practice**" means the SAPA Code of Practice in existence immediately prior to the date on which this Constitution comes into effect and, to the extent permitted by existing legislation, any additional voluntary and/or compulsory codes of practice made by the SAPA Board and/or the National Committees from time to time that deal with the production, processing, disposal or safety of poultry products, and which are not inconsistent with this Constitution;
- 3.2.9 "**Congress**" means the SAPA Congress, being the annual general meeting of the Association;
- 3.2.10 "**Constitution**" means this constitution, as amended from time to time;
- 3.2.11 "**CPI**" means the weighted average consumer price index (for all areas and for all items) for the Republic of South Africa as published by Statistics South Africa (or its successor in title) from time to time;
- 3.2.12 "**Egg Committee**" means the national committee appointed by the Egg Organisation;
- 3.2.13 "**Egg Industry**" means that section of the Broader Poultry Industry involved in the production and processing of Egg Products;
- 3.2.14 "**Egg Organisation**" means the national division of SAPA termed the "Egg Organisation", as referred to in Part C of this Constitution;

- 3.2.15 **"Egg Products"** shall bear the meaning as defined in the Rules adopted by the SAPA Board from time to time;
- 3.2.16 **"Financial Year"** means the financial year of the Association which shall end on 31 December of each year;
- 3.2.17 **"HDI"** means an historically disadvantaged individual;
- 3.2.18 **"Honorary Life Member"** is as defined in clause 5.1.2;
- 3.2.19 **"Management Committee"** means the previous management committee of the Association as it existed immediately prior to the date on which this Constitution comes into effect;
- 3.2.20 **"Member"** means a member of the Association, falling within one of the categories referred to in clause 5 and **"Membership"** shall be construed accordingly;
- 3.2.21 **"Member In Good Standing"** means a Member which/who:
- 3.2.21.1 has complied with the provisions of this Constitution, the Rules and the Codes of Practice;
- 3.2.21.2 is up to date with the payment of all of its membership fees as contemplated in clause 28; and
- 3.2.21.3 has not, in the reasonable opinion of the SAPA Board, brought the Association into disrepute;
- 3.2.22 **"National Committees"** means the Broiler Committee and the Egg Committee;
- 3.2.23 **"National Organisations"** means the Broiler Organisation and the Egg Organisation;
- 3.2.24 **"Ordinary Member"** is as defined in clause 5.1.1;
- 3.2.25 **"Person"** includes a natural person, company, close corporation or any other juristic person or other corporate entity, a charity, trust, partnership, joint venture, syndicate, or any other association of persons;
- 3.2.26 **"Provincial Committees"** means the committees elected by the Provincial Organisations;

- 3.2.27 **"Provincial Organisations"** means the provincial divisions of SAPA which may be established in each province, as referred to in Part D of this Constitution;
- 3.2.28 **"Rules"** means rules made and adopted by the SAPA Board and/or the National Committees from time to time as contemplated in this Constitution, which are not inconsistent with this Constitution;
- 3.2.29 **"SAPA Board"** means the administrative and controlling head of the Association, as referred to in Part B of this Constitution;
- 3.2.30 **"Secretariat"** means the Secretariat of the Association; and
- 3.2.31 **"Subsidiaries"** means the subsidiaries of SAPA as they existed immediately prior to the date on which this Constitution comes into effect, namely the Broiler Organisation of SAPA, the Egg Organisation of SAPA, the Chick Producers' Organisation of SAPA and the Developing Poultry Farmers Organisation of SAPA.

4. **OBJECTIVES OF THE ASSOCIATION**

- 4.1 To:
- 4.1.1 establish and maintain national divisions of the Association in South Africa; and
- 4.1.2 allow for the voluntary establishment of provincial divisions of the Association in South Africa,
- to enable the members to co-operate effectively for the development of the Broader Poultry Industry.
- 4.2 To co-ordinate the views, aims and efforts of the National Organisations and any Provincial Organisations in the interests of the Broader Poultry Industry.
- 4.3 To advance and improve the Broader Poultry Industry by embracing and co-ordinating the objectives of the National Organisations and any Provincial Organisations, and particularly by:
- 4.3.1 protecting the Broader Poultry Industry from adverse legislation and any other aggression and by initiating, promoting and assisting with the promulgation of legislation and regulations which are beneficial to the Broader Poultry industry;

- 4.3.2 encouraging broader poultry education, conducting and/or assisting in investigational work of a practical and scientific nature and organising seminars and courses;
- 4.3.3 facilitating and providing guidance in respect of the transformation of the Broader Poultry Industry in line with applicable government policies, objectives and legislation;
- 4.3.4 forming public private partnerships with government bodies and other public bodies as may be required from time to time;
- 4.3.5 representing the Broader Poultry Industry on appropriate international bodies and forums for purposes of developing global regulatory and trade frameworks which are to the benefit of the Broader Poultry Industry;
- 4.3.6 publishing literature, journals, pamphlets and circulars dealing with all matters pertaining to the Broader Poultry Industry, and conducting communications on behalf of such industry;
- 4.3.7 establishing Codes of Practice in relation to the Broader Poultry Industry;
- 4.3.8 promoting the consumption of poultry products in South Africa;
- 4.3.9 assisting in the opening up and maintaining of export markets for South African egg and poultry meat products;
- 4.3.10 procuring the compilation of statistics using information received from Members for purposes of maintaining suitable databases for use in the furtherance of the aims of the Association;
- 4.3.11 acting as arbitrator in the settlement of any dispute between Members which may arise in any matter pertaining to the Broader Poultry Industry, in accordance with and subject to the Rules;
- 4.3.12 dealing with any matter which may be in the interests of the Broader Poultry Industry, the Association and/or its Members.

5. MEMBERSHIP

5.1 Categories

Membership of the Association shall be confined to:

5.1.1 Ordinary Members

Persons who/which are producers in the Broader Poultry Industry, producing any Broiler Product and/or Egg Product;

5.1.2 Honorary Life Members

5.1.2.1 Natural persons who are nominated by the SAPA Board and elected at the Congress as honorary life members for services rendered to the Broader Poultry Industry. The proposed election of any such nominee shall be included on the agenda for the next Congress. There shall not, at any time, be more than thirteen (13) Honorary Life Members in respect of each of following three categories:

5.1.2.1.1 Broiler Industry;

5.1.2.1.2 Egg Industry;

5.1.2.1.3 allied industries (consisting of all direct and indirect suppliers to the broiler and egg production and processing industries in South Africa).

5.1.2.2 Honorary Life Members shall be entitled to receive notice of and attend meetings at a national level as provided for in this Constitution but shall have no voting rights.

5.1.2.3 The SAPA Board shall be entitled to terminate the membership of any Honorary Life Member if, in the reasonable opinion of the SAPA Board, the conduct of the Honorary Life Member in question is contrary to the aims and/or objectives of the Association and/or if such Honorary Life Member ceases at any time to be a Member in Good Standing;

5.1.3 Allied Members

Persons who/which are involved with the Broader Poultry Industry but do not qualify for Ordinary Membership. Such members shall be afforded certain

privileges as determined by the SAPA Board from time to time. The National Committees and any Provincial Committees may each make recommendations to the SAPA Board regarding the appointment of any Person as an Allied Member.

5.2 Existing membership

5.2.1 Persons who were members of the Subsidiaries immediately prior to this Constitution becoming effective shall automatically and *ipso facto* become Members of the Association on and with effect from the date on which this Constitution comes into effect unless, in the reasonable opinion of the SAPA Board, immediately prior to this Constitution becoming effective such persons were in breach of their Subsidiaries' constitutions, were not up to date with the payment of all applicable membership fees and/or had brought the Association into disrepute.

5.2.2 Persons who were Honorary Life Members or Associate Members of the Association immediately prior to this Constitution becoming effective shall retain their Membership unless, in the reasonable opinion of the SAPA Board, immediately prior to this Constitution becoming effective such persons were in breach of the constitutions of the Association or any of the Subsidiaries, were, in the case of Associate Members, not up to date with the payment of all applicable membership fees and/or had brought the Association into disrepute, and provided further that the Associate Members shall be referred to as Allied Members.

5.3 Approval of Membership

5.3.1 Application for Membership, other than Honorary Life Membership, shall be made on the prescribed form direct to the Secretariat. New applicants may be admitted to Membership on approval by the SAPA Board of their applications. The SAPA Board shall have the power to accept or reject any application without assigning any reason therefore.

5.3.2 Members shall be required to renew their Membership annually by completing and submitting the prescribed renewal form to the Secretariat. Annual renewals of Membership shall take place automatically upon receipt by the Secretariat of the renewal form, provided that the previous year's membership fees (as referred to in clause 28) have been paid in full by the Member in question.

5.3.3 If a Member fails to pay their membership fees within the prescribed time periods, their membership may be terminated in accordance with the Rules adopted by the SAPA Board from time to time.

5.3.4 By signing the prescribed application or renewal forms, a Member acknowledges the terms of and agrees to be bound by this Constitution, the Rules and the Codes of Practice, as amended from time to time.

5.4 **Resignation**

A Member may resign as a member of the Association upon notice in writing to the Secretariat. Notwithstanding a Member's resignation, such Member will remain liable for all membership fees which were due and owing by that Member immediately prior to its resignation.

5.5 **Representation of juristic person**

Where a Member is a company or any other juristic person or corporate entity, such Member shall appoint one representative from its organisation to act on its behalf at all meetings of the Association which it is entitled to attend. Such representative must be either an employee or a non-executive director of the Member. The Member is required to notify the Secretariat of the identity of such representative in its application for Membership and the annual renewal forms and must further notify the Secretariat of any change in such appointment as soon as reasonably practicable after such change becomes effective.

PART B - SAPA BOARD

6. SAPA BOARD

The executive powers of the Association shall be vested in a managing body, termed the SAPA Board. The SAPA Board shall be the supreme administrative and controlling head of SAPA, subject only to instructions from Congress, and its decisions shall bind all Members as well as the National Organisations and the Provincial Organisations (if any). Accordingly, no single person shall directly or indirectly control the decision-making powers relating to the Association.

7. COMPOSITION

7.1 Subject to clause 7.2, in addition to the Chief Executive Officer of SAPA, who shall be an *ex officio* member of the SAPA Board as provided for in clause 10:

7.1.1 the SAPA Board shall initially consist of eight (8) members and four (4) alternate members who shall be appointed by the Management Committee, which appointment shall take effect on the date that this Constitution becomes effective, and who shall hold office until the second Congress following their appointment. Upon such appointment and the appointments referred to in clause 18.2.1 taking effect, the Management Committee will be dissolved;

7.1.2 thereafter, the SAPA Board shall consist of a minimum of eight (8) members and a maximum of twelve (12) members appointed by the National Committees on an annual basis as provided for below.

7.2 The SAPA Board shall accept the fiduciary responsibility of the Association and the SAPA Board members shall not be connected persons in relation to each other within the meaning of the Income Tax Act, 1962.

7.3 Each National Committee shall be entitled to appoint 50% of the members of the SAPA Board referred to in clause 7.1.2 from among its own committee members, and remove and replace such members from time to time, provided that each National Committee shall:

7.3.1 use its reasonable endeavours to ensure that at least one half (50%) of the SAPA Board members appointed by the National Committee, and therefore at least half (50%) of all of the SAPA Board members appointed (excluding the Chief Executive Officer), must be members who served on the SAPA Board during the previous year, to the extent possible; and

- 7.3.2 ensure that at least half (50%) of the SAPA Board members appointed by the National Committee are HDI's, to the extent possible.
- 7.4 The appointment of the SAPA Board members by the National Committees shall take place every year immediately following the conclusion of the national annual general meetings and prior to Congress.
- 7.5 The two National Committees shall at all times have equal representation on the SAPA Board and, accordingly, without having regard to the Chief Executive Officer, 50% of the SAPA Board members must be members of the Broiler Organisation and the remaining 50% must be members of the Egg Organisation.
- 7.6 Each National Committee shall also be entitled, at the same time as it appoints the SAPA Board members, to appoint, remove and/or replace from among its own committee members two persons to act as alternates to its appointed SAPA Board members who shall act in any such SAPA Board member's place during his absence or inability to act. One of the alternate members shall be designated the "First Alternate" and the other the "Second Alternate". Upon such appointments being made, the alternates shall, in all respects, be subject to the terms and conditions of this Constitution and the Rules as they apply to the other SAPA Board members. As the alternates shall be alternates to more than one (1) SAPA Board member, each shall have a separate vote on behalf of each SAPA Board member he is representing.
- 7.7 The alternate members, whilst acting in the place of the SAPA Board members which they represent, shall exercise and discharge all the duties and functions of the SAPA Board members they represent. The appointment of an alternate shall cease on the happening of any event which, if he were a SAPA Board member, would cause him to cease to hold office, or if he is removed and replaced by the National Committee which appointed him.
- 7.8 A casual vacancy which may occur on the SAPA Board shall be filled by the National Committee who appointed such SAPA Board member appointing one of the alternate members to fill the vacancy.
- 7.9 As the SAPA Board members have to serve all language groups, it is advisable and recommended that persons so appointed should be able to carry out their duties in more than one official language.
- 7.10 Subject to clause 10, no Person shall be a SAPA Board member unless he is a Member In Good Standing.

8. FUNCTIONING

8.1 Executive and other sub-committees

- 8.1.1 The SAPA Board is authorised to appoint any number of sub-committees and to delegate to any such sub-committee all or any of its powers or authority on such terms as it may determine.
- 8.1.2 The SAPA Board shall at its first meeting after this Constitution comes into effect, and thereafter at its first meeting after Congress each year (which meeting shall, to the extent reasonably possible, be held on the same day as and immediately following Congress), determine the number and composition of the sub-committees which it shall appoint for the ensuing year, which shall include:
- 8.1.2.1 an executive committee as provided for in clause 8.4.1 below, consisting of the chairperson, the vice-chairperson and a third executive member;
 - 8.1.2.2 a transformation committee, consisting of that number of members as specified in the Rules adopted by the SAPA Board from time to time; and
 - 8.1.2.3 a breed society committee consisting of representatives of all breeds and their respective value chains as represented in South Africa.
- 8.1.3 Notwithstanding the provisions of clause 8.1.2, the SAPA Board shall be entitled to appoint any additional sub-committees at any time as it deems necessary.
- 8.1.4 The National Committees may from time to time propose, for discussion at Congress pursuant to clause 13.1.5, that additional sub-committees be appointed, over and above the sub-committees as determined by the SAPA Board.
- 8.1.5 The powers and obligations of the sub-committees shall be determined by the SAPA Board from time to time, provided that the purpose of the breed society committee shall be, and such committee shall accordingly be empowered, to maintain the Association's status as a registered animal breeders' society in terms of the Animal Improvement Act, 62 of 1998.

8.2 Meetings

- 8.2.1 Attendance at SAPA Board meetings by SAPA Board members or their alternates can be done by way of video or telephone conferencing, if so agreed by all of the other SAPA Board members, and such attendance shall be deemed to be attendance "in person". The provisions of this clause shall *mutatis mutandis* apply in respect of executive committee meetings.
- 8.2.2 If a SAPA Board member fails to attend two consecutive SAPA Board meetings without (in the reasonable opinion of the other SAPA Board members) good cause and one of the appointed alternates does not attend such meetings in his absence, such SAPA Board member shall be deemed to have resigned from the SAPA Board with immediate effect.
- 8.2.3 If a SAPA Board member is unable to attend a meeting of the SAPA Board, such member must advise the Secretariat at least ten (10) days before the date appointed for the meeting and the Secretariat shall notify the alternate members accordingly at least seven (7) days before the date appointed for the meeting, provided that if less than two (2) weeks' notice of the SAPA Board meeting has been given owing to exceptional circumstances (as contemplated in clause 8.2.5.2), these time periods may be shortened as determined by the chairperson. In this regard, the Secretariat shall first notify the First Alternate and only if such alternate member indicates that it is also unable to attend the meeting shall it notify the Second Alternate.
- 8.2.4 The SAPA Board shall meet as and when the chairperson deems it necessary but at least four (4) times per year. In addition, the SAPA Board shall meet when at least 50% of the SAPA Board members request a meeting and/or when required by the Secretariat pursuant to clause 33.1.3.
- 8.2.5 The SAPA Board and its sub-committees may each determine the form and time for giving notice of their meetings, provided that:
- 8.2.5.1 notice of all meetings must be in writing and delivered to each of the SAPA Board members or sub-committee members, as the case may be; and
- 8.2.5.2 notice of meetings of the SAPA Board must be delivered to each SAPA Board member so as to be received by the member in question not less than two (2) weeks before the date appointed for the meeting, provided that in exceptional circumstances, as determined by the chairperson, the

notice period may be shortened as is necessary to allow the SAPA Board members to attend to the exceptional circumstances in question.

8.2.6 To the extent that any SAPA Board member advises the Secretariat that he is unable to attend any SAPA Board meeting, the Secretariat shall ensure that the notice of that meeting is delivered to alternate members as contemplated in clause 8.2.3.

8.2.7 All SAPA Board members and sub-committee members, as well as alternate SAPA Board members, shall be entitled to travelling and reasonable out-of-pocket expenses incurred when attending SAPA Board or sub-committee meetings.

8.3 **Quorum and adjournment**

8.3.1 The quorum for all SAPA Board and sub-committee meetings shall be a majority of the SAPA Board members (or their alternates) or sub-committee members, as the case may be, present in person.

8.3.2 If within 30 minutes of the appointed time for a SAPA Board or sub-committee meeting to begin a quorum is not present, the meeting shall automatically stand adjourned without any motion, vote or further notice for one (1) week.

8.3.3 Further notice of a SAPA Board meeting or sub-committee meeting that is adjourned ("**original meeting**") is required on the same basis as the original meeting, save that notice shall be given within two (2) business days of the date on which the original meeting was held and the only items on the agenda may be the items which were on the agenda for the original meeting.

8.3.4 If at the appointed time for an adjourned meeting to resume, the quorum requirements are not met, then those SAPA Board members (or their alternates) or sub-committee members present, as the case may be, will be deemed to constitute a quorum.

8.4 **Chairperson**

8.4.1 The SAPA Board shall at its first meeting after this Constitution comes into effect, and thereafter at its first meeting after Congress each year (which meeting shall, to the extent reasonably possible, be held on the same day as and immediately following Congress) appoint from amongst its own members an executive committee consisting of a chairperson, a vice-chairperson and a

third executive member. The vice-chairperson shall, in the absence of the chairperson, exercise all the rights and privileges of the chairperson as contained in this Constitution.

8.4.2 If the chairperson is a member of the Broiler Organisation, the vice-chairperson must be a member of the Egg Organisation and, similarly, if the chairperson is a member of the Egg Organisation, the vice-chairperson must be a member of the Broiler Organisation.

8.4.3 The chairperson shall preside at all SAPA Board and executive committee meetings and shall not be entitled to exercise a second or casting vote.

8.4.4 Each sub-committee other than the executive committee is required to have its own chairperson, who shall be appointed in accordance with the Rules adopted by the SAPA Board from time to time.

8.5 **Voting**

8.5.1 Each SAPA Board member and their alternates and each sub-committee member shall have one vote on any matter before them.

8.5.2 Resolutions of the sub-committees must be approved by a majority of the votes exercised.

8.5.3 The unanimous consent of all of the SAPA Board members, or their alternates, present in person at a meeting and who constitute a quorum shall be required for the passing of any SAPA Board resolution.

8.5.4 Should the SAPA Board members be unable to agree on any proposed resolution the proposed resolution shall be referred for mediation to be undertaken by a mediator agreed upon by all of the SAPA Board members or, failing agreement within seven (7) days, determined by the Secretariat. If the matter is unable to be resolved by mediation within a period of twenty-one (21) days of the matter being submitted to the mediator, the resolution in question shall fail and the Members shall be notified accordingly in writing. The resolution may, however, be subsequently referred to either Congress or a SAPA special general meeting at the written request of Members constituting not less than 30% of all of the Members at that time, which request shall be submitted to the Secretariat and which shall contain a proposal as to whether the matter should be considered at Congress or a SAPA special general meeting. The SAPA

Board shall determine whether the matter shall be heard at Congress or at a SAPA special general meeting.

8.6 Round robin resolutions

A written resolution (which may consist of one or more documents in like form) signed by all of the SAPA Board members or all of the members of a sub-committee, as the case may be, shall be valid and effective in accordance with its terms as if passed at a SAPA Board meeting or sub-committee meeting. Unless the contrary is stated therein, any such resolution shall be deemed to have been passed on the latest date on which it was signed by all SAPA Board members or sub-committee members.

9. POWERS OF THE SAPA BOARD

9.1 The SAPA Board shall give effect to all resolutions passed at Congress and SAPA special general meetings. The SAPA Board's main purpose is to deal with matters of general policy as these affect the Broader Poultry Industry.

9.2 The SAPA Board shall, on behalf of SAPA, have the power to:

9.2.1 acquire movable or immovable property, sell it, hire it or hire it out, pledge and/or mortgage it, take or give it as security and/or alienate it in any other way, or dispose of it and give or obtain any business or other right on it and, in general, enter into any legal proceedings in connection with it. For the avoidance of doubt, all assets shall be acquired by the SAPA Board on behalf of, and shall belong to, the Association;

9.2.2 loan and/or invest in any way whatsoever and on such conditions as may be stipulated from time to time any funds or money that it may have at its disposal;

9.2.3 borrow and take up money and obtain funding and enter into loans of any description and give such security for these as may be necessary;

9.2.4 instruct the Secretariat to open bank accounts and to draw and overdraw on such accounts on its behalf or on behalf of the National Organisations and/or any Provincial Organisations;

9.2.5 institute and defend legal proceedings and subject any dispute to arbitration and to appoint and remunerate the necessary legal or accounting practitioners in connection with such legal proceedings or arbitration proceedings and any commission of inquiry. In all such cases the chairperson of the SAPA Board and

the Chief Executive Officer of SAPA shall jointly act on behalf of the Association, unless the SAPA Board resolves that the Chief Executive Officer may act on behalf of the Association on his own;

- 9.2.6 appoint the Chief Executive Officer of SAPA and determine the terms of such appointment, subject to clause 10;
- 9.2.7 authorise the Chief Executive Officer to engage sufficient additional staff to carry on the business of the Association and to fix their salaries (subject to clause 40) and determine their duties, and to take such disciplinary action against such staff members, including suspension and/or dismissal, as it deems necessary;
- 9.2.8 appoint sub-committees to deal with any branch of the Broader Poultry Industry or with any particular work of the SAPA Board, to carry out any of the objectives of the Association and/or to institute any inquiries in regard to any matters pertaining to the Broader Poultry Industry;
- 9.2.9 co-opt other persons to the SAPA Board, such persons to serve in an advisory capacity only;
- 9.2.10 act and decide on any matter arising between Congresses which generally affects the Broader Poultry Industry, provided that such action or decision is not contrary to any resolution of Congress;
- 9.2.11 rent offices or other accommodation;
- 9.2.12 impose disqualifications on, discipline, suspend or expel any defaulting Member for contravention of the Constitution, the Rules and/or the Codes of Practice, or whose conduct has been, in the opinion of the SAPA Board, detrimental or injurious to the interests of the Association, the National Organisations and/or any Provincial Organisations and/or their affiliations and members, either on its own accord or on the basis of proposals received from the National Organisations and/or any Provincial Organisations in this regard;
- 9.2.13 grant awards;
- 9.2.14 exercise authority over the National Organisations and any Provincial Organisations and their affiliations and members as provided for in this Constitution;

- 9.2.15 prepare an annual report on the activities, statistics and finances of the Association;
- 9.2.16 draft and submit proposals for the agenda for Congress;
- 9.2.17 nominate the Honorary President of the Association to hold office on such terms as the SAPA Board may determine;
- 9.2.18 determine the date and venue for Congress;
- 9.2.19 instruct the Secretariat regarding the contents of the notice of SAPA general meetings and the agendas for Congress and any SAPA special general meeting;
- 9.2.20 conclude any contracts on behalf of the Association in order to give effect to any of the abovementioned powers and/or the objectives of the Association; and
- 9.2.21 do everything that may be necessary to carry into effect the abovementioned powers and/or the objectives of the Association and/or any provision of this Constitution.

10. CHIEF EXECUTIVE OFFICER

The Chief Executive Officer of SAPA, being the head of the Secretariat, shall be appointed by the SAPA Board and shall be an *ex officio* member of the SAPA Board. Accordingly, the Chief Executive Officer shall be afforded the same rights and powers of the other SAPA Board members as provided for in this Constitution, including voting rights, provided that:

- 10.1 the Chief Executive Officer shall not be entitled to take part in the consideration of, nor vote on, any matter relating to or affecting him, including his suspension or dismissal, and shall be required to recuse himself from discussions at meetings in respect of such matters; and
- 10.2 if the Chief Executive Officer votes against any resolution proposed either at a SAPA Board meeting or by way of round robin resolution and it is for this reason alone that the unanimous consent of the SAPA Board members is not obtained for the passing of such resolution, the vote of the Chief Executive Officer shall be disregarded.

11. APPEALS

Appeals against the SAPA Board's decisions on any matter, including without limitation the termination of membership of any Honorary Life Member pursuant to clause 5.1.2.3, may

be made to Congress in writing by Members constituting not less than 30% of all of the Members at that time. The decision of Congress shall be final.

12. RULES

- 12.1 The SAPA Board may, from time to time, make, amend and/or repeal any necessary and incidental Rules in relation to its own operations or the Association as a whole and/or regulating its and the Association's affairs which are not inconsistent with this Constitution and which shall, once adopted by the SAPA Board, be binding on the Association and the Members.
- 12.2 A Rule contemplated in clause 12.1 shall take effect on the later of the date on which such Rule is adopted by the SAPA Board or the date, if any, specified in the Rule and shall be tabled at the next Congress. Rules shall be published at the time of their adoption by delivering a copy of such Rules to the Members by post, email or fax.
- 12.3 If Members constituting not less than 30% of all of the Members at that time object to any Rule adopted by the SAPA Board in writing, the matter shall be debated and decided at the next Congress (and shall be included on the agenda for Congress), provided that if there are, in the reasonable opinion of the SAPA Board, adequate reasons as to why such objection should be resolved prior to the next Congress, such Members shall be entitled to call a SAPA special general meeting pursuant to the provisions of clause 13.2.1.2 to debate and decide the matter. The decision of Congress or the SAPA special general meeting in this regard shall be binding on the SAPA Board.

13. SAPA GENERAL MEETINGS

13.1 Annual general meetings

- 13.1.1 A general meeting termed "**The SAPA Congress**" shall be held annually within six months of the close of the Financial Year. The SAPA Board shall fix the date of Congress, which shall not be held prior to the first week in March and not later than the last week in June.
- 13.1.2 The business of Congress shall be to:
- 13.1.2.1 receive and consider the annual report of the SAPA Board and the annual financial statements of the Association for the past Financial Year (once such annual financial statements have been approved by the SAPA Board);

- 13.1.2.2 consider such matters as may be included on the agenda for the SAPA Congress;
- 13.1.2.3 determine the headquarters of the Association. Any proposal for a change of headquarters must be approved by a two-thirds majority of the votes exercised at Congress;
- 13.1.2.4 appoint an Honorary President of the Association for the current year (the Honorary President shall be nominated by the SAPA Board);
- 13.1.2.5 appoint auditors for the ensuing year;
- 13.1.2.6 table any Rules made by the SAPA Board since the prior year's Congress and consider any objections to such Rules, as contemplated in clause 12.3; and
- 13.1.2.7 transact general business.
- 13.1.3 Except as provided for elsewhere in this Constitution, only proposals received from the SAPA Board and/or the National Committees in accordance with this Constitution shall appear on the agenda for Congress.
- 13.1.4 Notice of the date of Congress shall be posted, emailed or faxed to all Members at least sixteen (16) weeks prior to the date fixed for Congress.
- 13.1.5 All proposals for discussion at Congress shall be submitted to the SAPA Board and the Secretariat (save that any proposals made by the SAPA Board shall be submitted directly to the Secretariat) at least six (6) weeks prior to the date fixed for Congress. The SAPA Board may edit and, if necessary, amend any proposals submitted to it for inclusion on the Congress agenda, provided that no amendment may alter the basic intention as contained in the original version of the proposal submitted to it. The SAPA Board may place any proposal submitted for inclusion on the agendas of either of the national annual general meetings also on the agenda for Congress in as far as it may reflect upon the interests of the Broader Poultry Industry as a whole.
- 13.1.6 The notice of meeting and the agenda for Congress shall be posted, emailed or faxed to all Members not later than four (4) weeks prior to the date fixed for Congress.

13.2 **Special general meeting**

13.2.1 Subject to clause 33.1.3.2, SAPA special general meetings may be called:

13.2.1.1 by the SAPA Board as it requires from time to time; or

13.2.1.2 at the written request of Members constituting not less than 30% of all of the Members at that time, to be held within six (6) weeks of such request being received by the Secretariat.

13.2.2 The notice of the SAPA special general meeting, together with the agenda, shall be posted, emailed or faxed to all Members at least four (4) weeks prior to the date fixed for the special general meeting stating the business for which such a meeting has been called, and no other business than that stated in the notice and the agenda shall be discussed at the special general meeting.

13.2.3 If, in the opinion of the SAPA Board, a special general meeting is necessary to discuss matters of urgency, the SAPA Board may call such a meeting on shorter notice, provided that such meeting is held on a date which is not earlier than two (2) weeks from the date on which the notice of the meeting is dispatched to Members.

13.3 The contents of the notice of meeting and the agenda for Congress and any SAPA special general meeting shall be prepared by and be the responsibility of the Secretariat acting under direct instruction from the SAPA Board.

13.4 **Chairperson**

The chairperson, and in his absence the vice-chairperson, of the SAPA Board shall be the chairperson of the Congress and any SAPA special general meeting. In the absence of both the chairperson and the vice-chairperson at any Congress or SAPA special general meeting, the Members present, who are entitled to vote, shall appoint a chairperson from amongst themselves to conduct the business of the meeting.

13.5 **Quorum**

13.5.1 Neither Congress nor a SAPA special general meeting may begin until there are at least 25% of all Members at that time present, in person or by proxy, who are entitled to vote.

13.5.2 If within 30 (thirty) minutes of the appointed time for Congress or a SAPA special general meeting to begin a quorum is not present, Congress or a SAPA special general meeting shall automatically stand adjourned without any motion, vote or further notice for one (1) week.

13.5.3 Further notice of a meeting of Congress or a SAPA special general meeting that is adjourned ("**original meeting**") is required on the same basis as the original meeting, save that notice shall be given within two (2) business days of the date on which the original meeting was held and the only items on the agenda may be the items which were on the agenda for the original meeting.

13.5.4 If at the appointed time for an adjourned meeting to resume, the quorum requirements are not met, then those Members present will be deemed to constitute a quorum.

13.6 **Attendance and voting at general meetings**

13.6.1 Subject to clause 13.6.2, all Members shall be entitled to receive notice of, attend and vote at Congress and all SAPA special general meetings and to take part in any debate.

13.6.2 Honorary Life Members shall be entitled to receive notice of and attend Congress and all SAPA special general meetings and take part in any debate but shall have no voting rights.

13.6.3 The voting rights of all Members other than Honorary Life Members shall be as determined in the Rules adopted by the SAPA Board from time to time.

13.6.4 Voting shall be by a show of hands, except when a poll is requested by a majority of the Members present at the meeting at the time of voting.

13.6.5 The chairperson shall not be entitled to exercise a second or casting vote.

13.6.6 In order for any resolution to be adopted at Congress or a SAPA special general meeting it must be approved by a majority of the votes exercised in respect of that resolution, save for any matters in this Constitution and/or the Rules adopted by the SAPA Board from time to time which require a higher percentage.

13.6.7 The Secretariat shall notify all Members in writing of the resolutions adopted at Congress or a SAPA special general meeting as soon as reasonably practicable after such meeting.

13.7 **Proxies**

Each Member In Good Standing may appoint any other Member In Good Standing as a proxy to participate in, and speak and vote at, Congress and/or any SAPA special general meeting on behalf of that Member, subject to the following:

13.7.1 in order for the appointment by a Member of a proxy to be valid, the Member shall use the form set out in Schedule 1 attached to this Constitution for purposes of appointing a proxy and shall deliver such form to the Secretariat, to be received by the Secretariat not less than 48 hours before the appointed time for the beginning of Congress or the SAPA special general meeting;

13.7.2 a Member may not appoint two (2) or more persons concurrently as proxies in respect of the same voting rights;

13.7.3 a proxy may not delegate the proxy's authority to act on behalf of a Member to another person;

13.7.4 the SAPA Board and/or the Secretariat shall be entitled to disregard any proxy form and to disregard the vote of any proxy or purported proxy if:

13.7.4.1 the proxy form does not comply with the form set out in Schedule 1;

13.7.4.2 the Member which appointed the proxy chooses to attend the Congress or SAPA special general meeting in person and exercise all or some of its voting rights at Congress or at the SAPA special general meeting;

13.7.4.3 the authority of the proxy has been revoked by the Member which appointed the proxy; or

13.7.4.4 the vote of the proxy is not in accordance with the express directions as to voting specified by the Member in the proxy form; and

13.7.5 a vote given by a proxy in accordance with the terms of the proxy form shall be valid, notwithstanding the previous death or insanity of the principal, or revocation of the authority, unless notice in writing of the death, insanity or

revocation has been received by the Secretariat before the commencement of Congress or the SAPA special general meeting.

PART C - NATIONAL ORGANISATIONS

14. NATIONAL ORGANISATIONS

The Members shall be represented at a national level by two National Organisations, being the Broiler Organisation and the Egg Organisation. The Broiler Organisation and the Egg Organisation shall each be divisions of the Association.

15. POWERS

- 15.1 Subject to clause 18.9, the Broiler Organisation shall have the full power and authority to decide on all issues exclusively relating to or affecting the Broiler Industry ("**Exclusive Broiler Matters**") and the Egg Organisation shall have the full power and authority to decide on all issues exclusively relating to or affecting the Egg Industry ("**Exclusive Egg Matters**"), provided that such decisions are not contrary to the objectives of the Association and/or any provision of this Constitution.
- 15.2 Any decision of the National Organisations which does not relate to either an Exclusive Broiler Matter or an Exclusive Egg Matter ("**Non-Exclusive Matter**") shall require the written approval of the SAPA Board prior to implementation.
- 15.3 All decisions of the Broiler Organisation and the Egg Organisation shall be implemented by the Secretariat, subject to there being sufficient funds available for that purpose.
- 15.4 If on receipt of a notice of a National Committee meeting or national general meeting referred to in clauses 18.4.4, 20.1.5 and 20.2.2, the SAPA Board determines that any proposed resolution accompanying such notice and described as either an Exclusive Egg Matter or an Exclusive Broiler Matter is a Non-Exclusive Matter, or in the case of any Non-Exclusive Matter reflected in such agenda, the SAPA Board may deal with such resolution as it in its entire discretion deems fit, including, without limitation, agreeing to it, approving it, rejecting it or proposing amendments to it for consideration by the National Committee or the national general meeting or deferring its decision.
- 15.5 If the SAPA Board cannot reach consensus as to whether a matter is an Exclusive Egg Matter or an Exclusive Broiler Matter or a Non-Exclusive Matter, any member of the SAPA Board may refer the matter to mediation as provided for in clause 8.5.4.
- 15.6 The determination of the SAPA Board as to whether a matter is an Exclusive Egg Matter, an Exclusive Broiler Matter or a Non-Exclusive Matter shall be final and binding.

16. OBJECTIVES OF THE NATIONAL ORGANISATIONS

16.1 Broiler Organisation

- 16.1.1 To establish and maintain a national organisation in the Republic of South Africa for the promotion, development and guidance of the Broiler Industry.
- 16.1.2 To promote and improve the general welfare of members engaged in the Broiler Industry by providing a vehicle through which group action may be taken on matters of concern.
- 16.1.3 To facilitate and provide guidance in respect of the transformation of the Broiler Industry in line with applicable government policies, objectives and legislation.
- 16.1.4 To promote and advance all matters aimed at improving the Broiler Industry, particularly by carrying out the following activities:
- 16.1.4.1 facilitating profitable production and supporting the sustainability of projects to provide adequate supplies of Broiler Products to the consuming public;
 - 16.1.4.2 protecting the Broiler Industry from adverse legislation and any other aggression, and initiating, promoting and assisting with the promulgation of legislation and regulations which are beneficial to the Broiler Industry;
 - 16.1.4.3 promoting the production of Broiler Products;
 - 16.1.4.4 improving production, testing, grading, packing, transportation, storage, marketing and export of Broiler Products, and the means in this regard;
 - 16.1.4.5 setting and revising marketing standards in respect of Broiler Products to the extent permitted by existing legislation;
 - 16.1.4.6 establishing Codes of Practice in relation to the Broiler Industry;
 - 16.1.4.7 encouraging poultry education, conducting and/or assisting in investigational work of a practical and scientific nature, and organising seminars or courses to establish and enhance a learning culture amongst members of the Broiler Organisation;

- 16.1.4.8 publishing literature, journals, pamphlets and circulars dealing with all matters pertaining to the Broiler Industry and conducting communication on behalf of such industry;
- 16.1.4.9 dealing with any matter which may be in the interest of the Broiler Industry, the Broiler Organisation and/or its members;
- 16.1.4.10 submitting, from time to time, individual data in respect of its members to the statistical service provider appointed by the Association for purposes of establishing a suitable statistical system to further the aims of SAPA.
- 16.1.5 To promote and advance transformation of the Broiler Industry, thereby facilitating the entry of HDI producers into the main-stream agricultural economy, which shall include:
 - 16.1.5.1 facilitating, lobbying and communicating with national and provincial government agencies to better the plight of the HDI sector of the Broiler Industry by ensuring efficient and suitable delivery by government of support and services in each applicable area;
 - 16.1.5.2 promoting and encouraging inter-departmental and other stakeholder communication, with the view to optimising services provided to developing HDI producers in the Broiler Industry;
 - 16.1.5.3 ensuring the creation and implementation of suitable training programs for developing HDI producers, either centrally or locally, once resources are created or procured from service providers and/or by way of funding. These training programs are to include training for government officials who are in a position to guide and advise developing HDI producers;
 - 16.1.5.4 encouraging the establishment of resource centres in each region to ensure sustainable production of Broiler Products in such region;
 - 16.1.5.5 promoting access to finance for developing HDI producers in the Broiler Industry;
 - 16.1.5.6 collating information and market intelligence and making it available to developing HDI producers in the Broiler Industry to assist them to successfully market their products with an understanding of the overall supply chain and, especially, to consider market development strategies which can be of value to such producers.

16.2 **Egg Organisation**

- 16.2.1 To establish and maintain a national organisation in the Republic of South Africa for the promotion, development and guidance of the Egg Industry, independent from and equal in status to the Broiler Organisation.
- 16.2.2 To promote and improve the general welfare of members engaged in the Egg Industry by providing a vehicle through which group action may be taken on matters of concern.
- 16.2.3 To facilitate and provide guidance in respect of the transformation of the Egg Industry in line with applicable government policies, objectives and legislation.
- 16.2.4 To promote and advance all matters aimed at improving the Egg Industry, particularly by carrying out the following activities:
- 16.2.4.1 facilitating profitable production and supporting the sustainability of projects to provide adequate supplies of Egg Products to the consuming public;
 - 16.2.4.2 protecting the Egg Industry from adverse legislation and any other aggression, and initiating, promoting and assisting with the promulgation of legislation and regulations which are beneficial to the Egg Industry;
 - 16.2.4.3 promoting the production of Egg Products;
 - 16.2.4.4 improving production, testing, grading, packing, transportation, storage, marketing and export of Egg Products, and the means in this regard;
 - 16.2.4.5 setting and revising marketing standards in respect of Egg Products to the extent permitted by existing legislation;
 - 16.2.4.6 establishing Codes of Practice in relation to the Egg Industry;
 - 16.2.4.7 encouraging poultry education, conducting and/or assisting in investigational work of a practical and scientific nature, and organising seminars or courses to establish and enhance a learning culture amongst members of the Egg Organisation;
 - 16.2.4.8 publishing literature, journals, pamphlets and circulars dealing with all matters pertaining to the Egg Industry and conducting communication on behalf of such industry;

- 16.2.4.9 dealing with any matter which may be in the interest of the Egg Industry, the Egg Organisation and/or its members;
- 16.2.4.10 submitting, from time to time, individual data in respect of its members to the statistical service provider appointed by the Association for purposes of establishing a suitable statistical system to further the aims of SAPA.
- 16.2.5 To promote and advance transformation in the developing HDI sector of the Egg Industry, thereby facilitating the entry of developing HDI producers farmers into the main-stream agricultural economy, which shall include:
 - 16.2.5.1 facilitating, lobbying and communicating with national and provincial government agencies to better the plight of the developing HDI sector of the Egg Industry by ensuring efficient and suitable delivery by government of support and services in each applicable area;
 - 16.2.5.2 promoting and encouraging inter-departmental and other stakeholder communication, with the view to optimising services provided to developing HDI producers in the Egg Industry;
 - 16.2.5.3 ensuring the creation and implementation of suitable training programs for developing HDI producers, either centrally or locally, once resources are created or procured from service providers and/or by way of funding. These training programs to also include training for government officials who are in a position to guide and advise developing HDI producers;
 - 16.2.5.4 encouraging the establishment of resource centres in each region to ensure sustainable production of Egg Products in such region;
 - 16.2.5.5 promoting access to finance for developing HDI producers in the Egg Industry;
 - 16.2.5.6 collating information and market intelligence and making it available to developing HDI producers in the Egg Industry to assist them to successfully market their products with an understanding of the overall supply chain and, especially, to consider market development strategies which can be of value to such producers.

17. MEMBERSHIP

17.1 The Ordinary Members of SAPA shall automatically qualify for membership, and shall be deemed to be members, of either:

17.1.1 the Broiler Organisation, to the extent that they produce Broiler Products; or

17.1.2 the Egg Organisation, to the extent that they produce Egg Products,

provided that to the extent that an Ordinary Member of SAPA produces Broiler Products and Egg Products, they shall be deemed to be a member of both the Broiler Organisation and the Egg Organisation.

17.2 Upon ceasing to be an Ordinary Member of SAPA, for any reason whatsoever, such member shall *ipso facto* cease to be a member of the applicable National Organisation.

18. MANAGEMENT

18.1 National Committees

18.1.1 The executive powers of the:

18.1.1.1 Broiler Organisation shall be vested in a managing body termed the Broiler Committee; and

18.1.1.2 Egg Organisation shall be vested in a managing body termed the Egg Committee.

18.1.2 The National Committees shall consist of the following members, elected in terms of clause 18.2:

18.1.2.1 the Broiler Committee shall initially consist of 13 members who are members of the Broiler Organisation, representing those categories of producers in the numbers required as specified in the Rules adopted by the Broiler Committee from time to time, and 50% of whom, to the extent reasonably possible, shall be HDI's;

18.1.2.2 the Egg Committee shall initially consist of 13 members who are members of the Egg Organisation, representing those categories of producers in the numbers required as specified in the Rules adopted by the Egg

Committee from time to time, and 50% of whom, to the extent reasonably possible, shall be HDI's.

18.1.3 No Person shall be a member of either of the National Committees unless he is a Member In Good Standing.

18.2 Election Procedure

18.2.1 The first members of the Broiler Committee and the Egg Committee shall be appointed by the Management Committee, which appointment shall take effect on the date that this Constitution comes into effect. Such members shall all have been members of the committees of the Subsidiaries prior to this Constitution coming into effect and at least two (2) of the members of each National Committee shall be representatives of the Developing Poultry Farmers Organisation as it existed immediately prior to this Constitution coming into effect.

18.2.2 Thereafter, the members of the Broiler Committee and the Egg Committee shall be appointed on the basis set out below.

18.2.3 At the national annual general meeting of each of the Broiler Organisation and the Egg Organisation, one third of the members of each of the Boiler Committee and the Egg Committee, or if their number is not a multiple of three, then the number nearest to but not less than one third, shall retire from office. The members of each National Committee so to retire shall be those who have been longest in office since their last election or appointment, provided that in respect of the first members who are appointed pursuant to clause 18.2.1, in determining their length of service, the period of time served as members of the committees of the Subsidiaries prior to the date on which this Constitution comes into effect shall be taken into account. As between National Committee members of equal seniority, the members to retire shall, in the absence of agreement, be selected from among themselves by the applicable National Committee by way of a secret ballot.

18.2.4 At least ten (10) weeks prior to the date fixed for the national annual general meetings, the National Committees shall each notify the Secretariat of their members who shall be retiring from office ("**Retiring Committee Members**"), as well as the categories of producers which such members represent as referred to in clause 18.1.2.

- 18.2.5 The Secretariat shall, at least eight (8) weeks prior to the date fixed for the national annual general meetings, notify the members of each National Organisation in writing of their Retiring Committee Members and provide them with nomination forms for the purposes of nominating members of their own National Organisation to replace their Retiring Committee Members.
- 18.2.6 Nomination forms must reach the Secretariat at least six (6) weeks prior to the national annual general meetings and may be returned to the Secretariat by facsimile transmission. Retiring Committee Members may be re-nominated and a member of a National Organisation may nominate itself provided that it falls within the same category of producer (as referred to in clause 18.1.2) as at least one of its Retiring Committee Members.
- 18.2.7 The Secretariat shall ensure that all nominees have confirmed in writing that they are willing to serve on the National Committee to which they have been nominated. Only the names of nominees who have provided such written confirmation will be put forward for election.
- 18.2.8 The Secretariat shall ensure that:
- 18.2.8.1 for each Retiring Committee Member there is at least one nominee put forward for election which falls within the same category of producer as that Retiring Committee Member (as referred to in clause 18.1.2); and
- 18.2.8.2 that there are, to the extent reasonably possible, sufficient HDI nominees put forward for election to each National Committee to ensure that, should such nominees be elected, at least 50% of the members of each of the National Committees will be HDI's,
- failing which it shall take such measures as it deems appropriate to obtain alternative nominations from the members of the National Organisations, to the extent possible.
- 18.2.9 The new National Committee members shall be elected at the national annual general meetings by ballot for purposes whereof the official ballot forms of the Association shall be used. Members may not vote for more nominees per category of producers (as referred to in clause 18.1.2) than the number of vacancies that exist, failing which their ballot forms shall be treated as spoilt. To the extent that there is only one (1) nominee per category in respect of which there is a vacancy, such nominee shall automatically be elected.

- 18.2.10 The votes shall be counted immediately after the election. Those nominees who obtain the highest number of votes shall be regarded as elected, provided that this will result in the categories of producers referred to in clause 18.1.2 being adequately represented (in the numbers required), failing which, the election shall be repeated a maximum of two more times to ensure that such requirements are met. In the event that after such further elections, one or more of the categories of producers referred to in clause 18.1.2 is still not adequately represented, such vacancy/ies shall be filled by the National Committee in question co-opting any additional Members to the National Committee as it deems necessary. Furthermore, and without derogating from the provisions of clause 18.8.6, following such elections, each National Committee shall be entitled to co-opt any additional HDI Member or Members to the National Committee should it believe that there are an insufficient number of HDI members serving on the National Committee.
- 18.2.11 The National Committee members elected at the national annual general meetings shall be announced prior to the national annual general meeting being adjourned.
- 18.2.12 A casual vacancy on a National Committee (other than a vacancy referred to in clause 18.2.10) shall be filled by the remaining members of that National Committee appointing a member of their National Organisation to fill the vacancy until the next national annual general meeting. Such member should ideally be one of the candidates who was nominated for election at the previous national annual general meeting but failed to be elected.
- 18.2.13 If a member co-opted to a National Committee by that National Committee pursuant to clause 18.2.10 should resign, such National Committee may co-opt a further member to replace such member.

18.3 **Executive and other sub-committees**

- 18.3.1 Each National Committee is authorised to appoint any number of sub-committees and to delegate to any such sub-committee all or any of its powers or authority on such terms as it may determine from time to time.
- 18.3.2 Such sub-committees shall include a national executive committee which shall be appointed by each of the National Committees in accordance with clause 18.5.1 below, consisting of the chairperson, the vice-chairperson and a third executive member.

18.3.3 The powers and obligations of the sub-committees shall be as set out in the Rules adopted by the National Committees from time to time.

18.4 Meetings

18.4.1 Attendance at National Committee meetings and sub-committee meetings by committee members can be done by way of video or telephone conferencing, if so agreed by all of the other committee members, and such attendance shall be deemed to be attendance "in person".

18.4.2 If a member of a National Committee fails to attend two consecutive meetings of such National Committee without (in the reasonable opinion of the other committee members) good reason, he shall be deemed to have resigned from the National Committee in question with immediate effect.

18.4.3 Each National Committee shall meet:

18.4.3.1 at least three (3) times per year, which meetings shall be held at least three (3) weeks prior to the SAPA Board meetings;

18.4.3.2 when at least three (3) of its committee members request a meeting; and

18.4.3.3 at such other times as the chairperson deems it necessary.

18.4.4 Each National Committee and each sub-committee may determine the form and time for giving notice of their meetings, provided that:

18.4.4.1 notice and the agenda of all meetings must be in writing;

18.4.4.2 notice of all meetings and the agenda for such meeting shall be delivered to each committee member and to the SAPA Board not later than fourteen (14) days prior to the meeting unless the matter is urgent in which event reasonable notice shall be given of the meeting; and

18.4.4.3 the notice shall be accompanied by details of any proposed resolution and shall specify whether such proposed resolution is an Exclusive Broiler Matter or an Exclusive Egg Matter or a Non-Exclusive Matter as referred to in clause 15.

18.4.5 All members of each National Committee and its sub-committees shall be entitled to travelling and reasonable out-of-pocket expenses incurred when attending National Committees and sub-committee meetings.

18.4.6 The quorum for all National Committee and sub-committee meetings shall be a majority of the members of such committee present in person.

18.4.7 If within thirty (30) minutes of the appointed time for a National Committee or sub-committee meeting to begin a quorum is not present, the meeting shall automatically stand adjourned without any motion, vote or further notice for one (1) week.

18.4.8 Further notice of a National Committee or sub-committee meeting that is adjourned ("**original meeting**") is required on the same basis as the original meeting, save that notice shall be given within two (2) business days of the date on which the original meeting was held and the only items on the agenda may be the items which were on the agenda for the original meeting.

18.4.9 If at the appointed time for an adjourned meeting to resume, the quorum requirements are not met, then those members of the National Committee or sub-committee in question who are present, will be deemed to constitute a quorum.

18.5 **Chairperson**

18.5.1 Each National Committee shall at its first meeting after this Constitution comes into effect, and thereafter at its first meeting after the national annual general meeting each year (which meeting shall, to the extent reasonably possible, be held on the same day as and immediately following the national annual general meeting and prior to Congress) appoint from amongst its members an executive committee consisting of a chairperson, a vice-chairperson and a third executive member. The vice-chairperson shall, in the absence of the chairperson, exercise all the rights and privileges of the chairperson as contained throughout this Constitution.

18.5.2 The chairperson shall preside at the applicable National Committee and national executive committee meetings and shall not be entitled to exercise a second or casting vote.

18.5.3 Each sub-committee other than the executive committee is required to have its own chairperson, who shall be appointed in accordance with the Rules adopted by the National Committees from time to time.

18.6 **Voting**

18.6.1 Each member of each National Committee and each sub-committee member shall have as many votes on any matter before such committee as determined in the Rules adopted by the National Committees from time to time.

18.6.2 Resolutions must be approved by a majority of the votes exercised in respect of that resolution.

18.7 **Round robin resolutions**

A written resolution (which may consist of one or more documents in like form) signed by a majority of the members of either of the National Committees or their sub-committees shall be valid and effective in accordance with its terms as if passed at a National Committee meeting or sub-committee meeting, as the case may be. Unless the contrary is stated therein, any such resolution shall be deemed to have been passed on the latest date on which it was signed by a majority of the National Committee members or sub-committee members.

18.8 **Powers of the National Committees**

Subject to clause 15, each National Committee shall, in order to further its objectives, have the power to:

18.8.1 give effect to all resolutions passed at its national annual general meetings and national special general meetings;

18.8.2 draft and submit proposals to Congress and its own national annual general meeting;

18.8.3 appoint 50% of the members of the SAPA Board as referred to in clause 7.2;

18.8.4 make recommendations to the SAPA Board in respect of persons to be appointed as Allied Members;

18.8.5 appoint sub-committees to deal with any particular work of that National Committee, carry out any of the objectives of its National Organisation, or institute inquiries with regard to any matters pertaining to its National Organisation;

18.8.6 co-opt persons to the National Committee, such persons to serve in an advisory capacity only;

- 18.8.7 decide on any matter arising between national annual general meetings, provided that such action or decision is not contrary to any resolution passed at a national annual general meeting;
- 18.8.8 submit proposals to the SAPA Board with regards to imposing disqualifications on, disciplining, suspending or expelling any defaulting member of its National Organisation for contravention of the Constitution, Rules and/or Codes of Practice or whose conduct has been, in the opinion of the National Committee, detrimental or injurious to the interests of the National Organisation and/or its members;
- 18.8.9 act as arbitrator in any dispute between members of its National Organisation in accordance with and subject to the Rules adopted by the National Committees from time to time;
- 18.8.10 do everything that may be necessary to carry into effect the abovementioned powers and/or the objectives of the National Organisations and/or any provision of this Constitution.

18.9 **Restrictions on the National Committees**

Notwithstanding anything to the contrary contained in this Constitution, the National Committees shall have no power to enter into contracts, acquire any assets and/or incur any liabilities unless specifically authorised by the SAPA Board.

19. **RULES**

- 19.1 Each National Committee may, from time to time, make, amend and/or repeal any necessary and incidental Rules in relation to both its and its National Organisation's operations and regulating their affairs which are not inconsistent with this Constitution and which shall, once adopted by the National Committee, be binding on the National Organisation and its members.
- 19.2 A Rule contemplated in clause 19.1 shall take effect on the later of the date on which such Rule is adopted by the National Committee or the date, if any, specified in the Rule and shall be tabled at the next national annual general meeting. Rules shall be published at the time of their adoption by delivering a copy of such Rules to the members of the applicable National Organisation by post, email or fax and to the SAPA Board.

19.3 If members of a National Organisation constituting not less than 30% of all of the members of the National Organisation at that time object in writing to any Rule adopted by their National Committee, the matter shall be debated and decided at the next national annual general meeting (and shall be included on the agenda for such meeting), provided that if there are, in the reasonable opinion of the National Committee, adequate reasons as to why such objection should be resolved prior to the next national annual general meeting, such members shall be entitled to call a national special general meeting pursuant to the provisions of clause 20.2.1 to debate and decide the matter. The decision of the national annual general meeting or the national special general meeting in this regard shall be binding on the National Committee.

20. GENERAL MEETINGS

20.1 Annual General Meeting

20.1.1 A general meeting styled the national annual general meeting shall be held annually by each National Organisation at the time and place determined for Congress, and shall take place immediately prior to Congress.

20.1.2 The business of each national annual general meeting shall be to:

20.1.2.1 consider such matters as may be included in the agenda for such meeting;

20.1.2.2 table any Rules made by the National Committee since the prior year's national annual general meeting and consider any objections to such Rules as contemplated in clause 19.3; and

20.1.2.3 transact general business.

20.1.3 Notice of the dates of the national annual general meetings shall be posted, emailed or faxed to all Members at least sixteen (16) weeks prior to the date fixed for the meeting.

20.1.4 All proposals for discussion at each national annual general meeting shall be submitted to the National Committee, the SAPA Board and the Secretariat at least six (6) weeks prior to the date fixed for the national annual general meeting.

20.1.5 The notice and agenda of the national annual general meetings shall be posted to all Members and delivered to the SAPA Board not later than four (4) weeks

prior to the date fixed for the national annual general meetings, accompanied by details of any proposed resolution and which shall specify whether such proposed resolution is an Exclusive Broiler Matter or an Exclusive Egg Matter or a Non-Exclusive Matter as referred to in clause 15.

20.1.6 Each National Committee may edit and, if necessary, in consultation with the original proposer, amend any proposal submitted to it for inclusion on its national annual general meeting agenda, provided any such amendment does not alter the basic intention as contained in the original version of the proposal submitted to it.

20.1.7 The SAPA Board may place any proposal submitted to the Congress on the agenda of any national annual general meeting.

20.2 **Special General Meeting**

20.2.1 National special general meetings may be called by each National Committee as it requires from time to time or at the written request of the members of its National Organisation constituting not less than 30% of all of the members at the time, to be held within six (6) weeks of such request being received by the Secretariat.

20.2.2 The notice of the national special general meeting, together with the agenda, shall be posted, emailed or faxed to members and delivered to the SAPA Board at least four (4) weeks prior to the date fixed for the special general meeting, stating the business for which such a meeting has been called and accompanied by details of any proposed resolution which shall specify whether such proposed resolution is an Exclusive Broiler Matter or an Exclusive Egg Matter or a Non-Exclusive Matter as referred to in clause 15. No other business than that stated in the notice and the agenda shall be discussed at such a meeting.

20.2.3 If, in the opinion of a National Committee, a special general meeting is necessary to discuss matters of urgency, that National Committee may call such a meeting on shorter notice provided that such meeting is held on a date which is not less than two (2) weeks from the date on which the notice of the meeting is dispatched to members and delivered to the SAPA Board.

20.3 The contents of the notice of meeting and the agenda for national general meetings shall be prepared by and be the responsibility of the Secretariat acting under direct instruction from the National Committees.

20.4 **Chairperson**

The chairperson, and in his absence, the vice-chairperson, of a National Committee shall be the chairperson at all general meetings of his National Organisation. In the absence of both the chairperson and the vice-chairperson at any meeting, the meeting shall appoint a chairperson to conduct the business of the meeting.

20.5 **Quorum**

20.5.1 A national general meeting may not begin until there are at least 25% of all members of the National Organisation in question present, in person or by proxy, who are entitled to vote.

20.5.2 If within thirty (30) minutes of the appointed time for a national general meeting to being a quorum is not present, the national general meeting shall automatically stand adjourned without any motion, vote or further notice for one (1) week.

20.5.3 Further notice of a meeting of a national general meeting that is adjourned ("**original meeting**") is required on the same basis as the original meeting, save that notice shall be given within two (2) business days of the date on which the original meeting was held and the only items on the agenda may be the items which were on the agenda for the original meeting.

20.5.4 If at the appointed time for an adjourned meeting to resume the quorum requirements are not met, then those members present will be deemed to constitute a quorum.

20.6 **Attendance and voting at general meetings**

20.6.1 All Members of the Association shall be entitled to receive notice of and attend the national annual general meetings of both the Broiler Organisation and the Egg Organisation but shall only be entitled to vote at the annual general meeting of the National Organisation of which it is a member. For the avoidance of doubt, Allied Members and Honorary Life Members shall be entitled to receive notice of and attend the national annual general meetings of both National Organisations but shall have no voting rights.

- 20.6.2 With regards to special general meetings:
- 20.6.2.1 members of the Broiler Organisation shall be entitled to receive notice of, attend and vote at special general meetings of the Broiler Organisation; and
- 20.6.2.2 members of the Egg Organisation shall be entitled to receive notice of, attend and vote at special general meetings of the Egg Organisation.
- 20.6.3 The voting rights of members of the National Organisations shall be as determined in the Rules adopted by the National Committees from time to time.
- 20.6.4 Voting shall be by a show of hands, except when a poll is requested by a majority of the members present and entitled to vote at the meeting at the time of voting.
- 20.6.5 In order for any resolution to be adopted at a national general meeting it must be approved by a majority of the votes exercised in respect of that resolution, save for any matters in the Rules adopted by the National Committees which require a higher percentage.

20.7 **Proxies**

Each member of a National Organisation who is a Member In Good Standing may appoint any other member of the same National Organisation who is a Member In Good Standing as a proxy to participate in, and speak and vote at, any national general meeting on behalf of that member, subject to the following:

- 20.7.1 in order for the appointment by an member of a proxy to be valid, the member shall use the form set out in Schedule 1 attached to this Constitution for purposes of appointing a proxy and shall deliver such form to the Secretariat, to be received by the Secretariat not less than 48 hours before the appointed time for the beginning of the national general meeting;
- 20.7.2 a member may not appoint two (2) or more persons concurrently, as proxies in respect of the same voting rights;
- 20.7.3 a proxy may not delegate the proxy's authority to act on behalf of a member to another person;

- 20.7.4 the Secretariat and/or the National Committee in question shall be entitled to disregard any proxy form and to disregard the vote of any proxy or purported proxy if:
- 20.7.4.1 the proxy form does not comply with the form set out in Schedule 1;
 - 20.7.4.2 the member which appointed the proxy chooses to attend the national general meeting in person and exercise all or some of its voting rights at the national general meeting;
 - 20.7.4.3 the authority of the proxy has been revoked by the member which appointed the proxy; or
 - 20.7.4.4 the vote of the proxy is not in accordance with the express directions as to voting specified by the member in the proxy form;
- 20.7.5 a vote given by a proxy in accordance with the terms of the proxy form shall be valid, notwithstanding the previous death or insanity of the principal, or revocation of the authority, unless notice in writing of the death, insanity or revocation has been received by the Secretariat before the commencement of the national general meeting.

PART D - PROVINCIAL ORGANISATIONS

21. PROVINCIAL ORGANISATIONS

- 21.1 At least three (3) Members operating in a particular province may elect to establish a Provincial Organisation in that province, subject to the prior approval of the SAPA Board and subject to such guidelines as may be determined by the SAPA Board. Any such Provincial Organisation shall be a division of the Association.
- 21.2 A maximum of two (2) Provincial Organisations may be established in any province, one representing the Members in that province that produce Broiler Products and one representing the Members in that province that produce Egg Products, provided that Members may elect to establish only one Provincial Organisation which represents both types of Members in that province.
- 21.3 The Members wishing to establish a Provincial Organisation must notify the Secretariat in writing and provide all relevant details regarding the proposed Provincial Organisation, including its proposed objectives and the proposed first members of its Provincial Committee.
- 21.4 Within twenty-one (21) days of receipt of the written notification referred to in clause 21.3, the Secretariat shall refer the matter to the SAPA Board for its consideration. The SAPA Board shall make a determination as soon as reasonably practicable after referral by the Secretariat but, in any event, no later than the date scheduled for the next SAPA Board meeting. The Secretariat shall advise the applicable Members of the SAPA Board's decision within seven (7) days of such decision being made and shall, to the extent that approval has been granted for the establishment of the proposed Provincial Organisation, provide such Members with copies of this Constitution and the guidelines referred to in clause 21.1, if any.

22. POWERS

- 22.1 Subject to clause 22.2, any Provincial Organisation which is established shall have the full power and authority to decide on all issues exclusively relating to or affecting its province, provided that such decision is not contrary to the objectives of the Association, and does not conflict with or undermine any provision of this Constitution, the Rules, the Codes of Practice, the guidelines referred to in clause 21.1 (if any) and/or any decision made by either of the National Organisations, the SAPA Board or Congress.

22.2 Notwithstanding anything to the contrary contained in this Constitution, the Provincial Committees shall have no power to enter into contracts, acquire any assets and/or incur any liabilities unless specifically authorised by the SAPA Board, nor shall they have any power to open any bank accounts and/or to hold any monies in their own names or for their own account, and they shall at all times act in strict compliance with the provisions of this Constitution, the Rules, the Codes of Conduct and the guidelines referred to in clause 21.1 (if any), as well as with any decisions made by either of the National Organisations or Congress as may be applicable to it.

23. OBJECTIVES OF THE PROVINCIAL ORGANISATIONS

The objectives of a Provincial Organisation shall be determined by the Members establishing such Provincial Organisation, provided that such objectives are limited to matters only affecting the province in question, are not contrary to the objectives of the Association and do not conflict with or undermine any provision of this Constitution, the Rules, the Codes of Practice, the guidelines referred to in clause 21.1 (if any) and/or any decision made by either of the National Organisations, the SAPA Board or Congress.

24. MEMBERSHIP

24.1 Each Member of SAPA other than Honorary Members shall automatically qualify for membership of a Provincial Organisation established in any province in which such Member operates, provided that the Member falls within the category of producer/s which the Provincial Organisation represents. A Member wishing to become a member of any such Provincial Organisation shall notify the Provincial Committee in writing whereupon its membership shall immediately become effective.

24.2 A Provincial Committee shall on an annual basis, at least eight (8) weeks prior to the date of Congress, notify the Secretariat in writing of the names of the members of its Provincial Organisation.

24.3 Upon ceasing to be a Member of SAPA, for any reason whatsoever, such member shall *ipso facto* cease to be a member of its Provincial Organisation/s (if applicable).

25. MANAGEMENT

25.1 Provincial Committee

25.1.1 A Provincial Organisation which is established pursuant to clause 21 shall have a managing body termed the Provincial Committee in which the executive powers of that Provincial Organisation shall be vested.

25.1.2 Each Provincial Committee shall consist of such number of members as determined by the Provincial Organisation from time to time. Such individuals must all be Members In Good Standing and shall be elected in accordance with such procedures as may be determined by the members of the Provincial Organisation, subject to the guidelines referred to in clause 21.1 (if any).

25.2 **Meetings**

A Provincial Committee shall meet, adjourn and otherwise regulate the holding of and the proceedings at its meetings as it deems fit and determine *inter alia* the form and time for giving notice of its meetings, the necessary quorum, the requirements for adjournments, the voting rights of committee members, the requirements for the passing of resolutions and any other ancillary matters, subject to the guidelines referred to in clause 21.1 (if any).

26. **GENERAL MEETINGS**

The requirement for a Provincial Organisation to hold annual and special general meetings at a provincial level, and the procedures relating thereto, shall be determined by the members of the Provincial Organisation from time to time, subject to the guidelines referred to in clause 21.1 (if any).

27. **NON-COMPLIANCE**

If the Secretariat or any member of the SAPA Board is at any time of the opinion or suspects that any Provincial Organisation and/or Provincial Committee has contravened or failed to comply with any provision of this Constitution, the Rules, the Codes of Conduct, any of the guidelines referred to in clause 21.1, and/or any decisions made by either of the National Organisations or Congress, the matter shall be referred to the SAPA Board which shall make such determination and impose such sanctions as it, in its sole discretion, deems appropriate.

PART E - GENERAL

28. MEMBERSHIP FEES

- 28.1 The SAPA Board shall, by no later than eight (8) weeks before the end of each Financial Year prepare the following budgets in respect of the following year:
- 28.1.1 a budget for general administration and operation of the Association ("**SAPA Budget**");
- 28.1.2 a budget in respect of the Broiler Organisation ("**Broiler Budget**"); and
- 28.1.3 a budget in respect of the Egg Organisation ("**Egg Budget**").
- 28.2 The SAPA Board shall determine the proportion of the expenditure reflected in the SAPA Budget which each National Organisation shall bear ("**National Proportions**").
- 28.3 The SAPA Budget and the National Proportions shall be subject to the approval of both the Egg Committee and the Broiler Committee.
- 28.4 The Broiler Budget shall be subject to the approval of the Broiler Committee and, similarly, the Egg Budget shall be subject to the approval of the Egg Committee.
- 28.5 Should any budget not be approved by the start of the Financial Year to which it pertains as set out above, then the applicable budget in respect of the immediately preceding Financial Year escalated by CPI shall apply for the next Financial Year or until such time as approval is obtained for the new proposed budget.
- 28.6 Each of the Broiler Committee and the Egg Committee shall determine the formula to be applied by the SAPA Board in determining the amount for which each of its members is required to contribute to the Association to cover the Broiler Budget or the Egg Budget, as the case may be.
- 28.7 The SAPA Board shall determine:
- 28.7.1 the aggregate amount each Member is required to pay to SAPA in order to cover the SAPA Budget and the budget of the National Organisation applicable to it by applying the formula determined by the National Committee of such National Organisation; and
- 28.7.2 the instalments payable in respect of the amounts so determined,

and shall invoice such Member accordingly. All such membership fees shall be payable to SAPA.

28.8 Any amount received by SAPA from any Member shall be applied in the following order of priority:

28.8.1 firstly, to discharge the instalment payable by it in respect of the SAPA Budget; and

28.8.2 secondly, to discharge the instalment payable by it in respect of the budget of the National Organisation applicable to it.

28.9 The funds so allocated shall be applied by SAPA in accordance with the written directions of the organisations to which those funds are allocated.

28.10 Notwithstanding anything to the contrary herein contained, the SAPA Board may levy additional amounts upon each Member (and shall be required, if instructed by any of the National Committees, to levy additional amounts upon such National Committee's members), in order to cover any anticipated or actual shortfall in funding that may arise or additional expenditure to be incurred and which relates to:

28.10.1.1 SAPA generally, subject to the approval of the National Committees;

28.10.1.2 the Broiler Organisation, if applicable to it, subject to the approval of the Broiler Committee (unless such committee has instructed the SAPA Board to do so);

28.10.1.3 the Egg Organisation, if applicable to it, subject to the approval of the Egg Committee (unless such committee has instructed the SAPA Board to do so).

28.11 SAPA shall maintain separate accounts in its books for the Association and each National Organisation to which the fees received from any Member or from outside sources shall be allocated, subject to the provisions of clause 28.7.

28.12 Each year the Secretariat shall prepare annual financial statements within ten (10) weeks after the end of the Financial Year which shall be audited. The annual financial statements shall be submitted to the SAPA Board for their approval, following which they shall be distributed to Members before the date fixed for Congress.

- 28.13 The annual financial statements shall reflect the funds allocation to the National Organisations separately and unallocated funds (being general reserves of SAPA) and the purposes for which those funds were used or are to be used.
- 28.14 Any profits arising from activities overseen directly by the SAPA Board such as Avi Africa and the Poultry Bulletin Pty (Ltd) shall be allocated to the general reserves of SAPA for use on general projects.
- 28.15 The Association will comply with such reporting requirements as may be determined by the Commissioner for the South African Revenue Service from time to time.
- 28.16 Notwithstanding any other provision contained in this clause 28, the first SAPA Board shall, as soon as reasonably possible after its appointment pursuant to clause 7.1.1 and exercising its reasonable discretion, prepare and adopt an interim SAPA Budget, an interim Broiler Budget and an interim Egg Budget in respect of the remainder of the Financial Year in which the SAPA Board has been appointed. Such interim budgets shall not be subject to the prior approval of the National Committees.

29. FINANCES

- 29.1 The Association shall be funded by:
- 29.1.1 fees from Members, as described in clause 28 hereof;
- 29.1.2 donations, commissions and royalties; and
- 29.1.3 any other means approved by the SAPA Board from time to time including statutory levies,
- provided that, notwithstanding anything to the contrary contained herein, substantially the whole of the Association's funding shall be derived from its Members or from an appropriation by the government of the Republic of South Africa in the national, provincial or local sphere.
- 29.2 Subject to clause 28, the assets of the Association, together with all rights, powers and duties therein, shall be deemed vested in the SAPA Board.
- 29.3 The National Organisations shall each be entitled to raise additional funding from outside sources for use on their own specific national projects. Such funds shall also be paid directly to the Secretariat which shall hold such funds on behalf of the relevant

organisation and apply such funds in accordance with the written instructions of its relevant committee.

- 29.4 The Provincial Organisations, if any, shall be self-funded, in the manner determined by their members from time to time. Such funds shall be paid directly to the Secretariat which shall hold such funds on behalf of the relevant organisation and apply such funds in accordance with the written instructions of its relevant committee.

30. ORGANISATION CEASING TO OPERATE

- 30.1 In the event of any of the National Organisations or Provincial Organisations for any cause whatsoever ceasing to operate, all funds allocated to such organisation shall be re-allocated as determined in the discretion of the SAPA Board.
- 30.2 Upon any of the National Organisations or Provincial Organisations ceasing to operate for any cause whatsoever, such organisation shall, *ipso facto*, forfeit and cease to have any rights in or claims upon the Association and its property.

31. OFFICIAL ORGAN

The South African Poultry Association's Poultry Bulletin, owned and published by SAPA, or any other publications recognised as official publications by the SAPA Board in its discretion, shall be the official publication of the Association, including each National Organisation and each Provincial Organisation.

32. LANGUAGE

English shall be the official language of SAPA.

33. CONSTITUTION - AMENDMENTS

- 33.1 No alteration of this Constitution shall be made except where such alteration is carried by a two-thirds majority of the votes exercised at Congress or at a SAPA special general meeting, at the time of voting, subject to the following:
- 33.1.1 any resolution to amend this Constitution may be proposed in writing by (i) any member of the SAPA Board; (ii) by Members constituting not less than 30% of all of the Members at the time or (iii) by either of the National Organisations if a resolution to that effect has been approved by a majority of the votes exercised at its national general meeting, and shall be submitted to the Secretariat

together with a proposal as to whether the resolution is to be considered at the Congress or at a SAPA special general meeting;

33.1.2 to the extent that the resolution is to be considered at Congress, the proposed resolution shall be submitted to the Secretariat not less than eight (8) weeks prior to the date of Congress;

33.1.3 the Secretariat shall call a meeting of the SAPA Board for the consideration and, if deemed fit, the acceptance of the proposal to amend the Constitution, which meeting shall be held within three (3) weeks of the Secretariat having received the proposal. Should the SAPA Board accept the proposal at such meeting:

33.1.3.1 the proposed resolution to amend shall appear on the agenda for Congress, to the extent that the matter is to be considered at Congress;
or

33.1.3.2 to the extent that the matter is to be considered at a SAPA special general meeting, the SAPA Board shall call a SAPA special general meeting which shall be held at least eight (8) weeks following the date on which the Secretariat first received the proposal to amend this Constitution, and the proposed resolution shall appear on the agenda for the SAPA special general meeting.

33.2 Amendments to a proposed resolution appearing on the Congress agenda or on the SAPA special general meeting agenda affecting the Constitution shall be submitted to the Secretariat at least two (2) weeks before the date of Congress or the date of the SAPA special general meeting, as the case may be, and shall be circulated to all Members by the Secretariat at least seven (7) days before the date of the relevant meeting.

33.3 Any amendments to this Constitution will be submitted to the Commissioner for the South African Revenue Service within thirty (30) days following the approval of such amendments, and shall only take effect upon the approval by such Commissioner, to the extent required.

34. **CONSTITUTION - INTERPRETATION**

34.1 In case of doubt or dispute as to the meaning or application of this Constitution, the interpretation of the SAPA Board shall be binding upon the Members until the next

Congress, where the matter shall be debated and finally determined (and such matter shall be included on the agenda for Congress).

34.2 In the case of doubt or dispute, the English version of this Constitution shall be regarded as the official Constitution.

35. LEGAL MATTERS

35.1 Subject to clause 9.2.5, the SAPA Board shall represent the Association, including the National Organisations and Provincial Organisations, in legal matters and shall have the power to institute and defend legal proceedings by or against the Association, the National Organisations and/or the Provincial Organisations. Legal documents shall be signed by the chairperson of the SAPA Board and the Chief Executive Officer of SAPA in conformity with resolutions passed by the SAPA Board and/or resolutions passed by any National Committee or Provincial Committee which have been confirmed by the SAPA Board.

35.2 Members of the SAPA Board, National Committees and/or Provincial Committees shall not incur any personal responsibility of whatever nature to any person or body in the execution of their duties as specified in this Constitution, and shall be indemnified by SAPA.

35.3 Neither the Association, nor any National Organisation nor Provincial Organisation, shall hold themselves in any way responsible for the liabilities incurred by any Members.

36. WAIVING OF RIGHTS

Every Member shall be deemed to have waived any rights against the Association and the National Organisations and Provincial Organisations for any damages consequent to the operation or enforcement of the Constitution, Rules and/or Codes of Practice.

37. DISSOLUTION AND DISTRIBUTION OF PROFITS, GAINS AND/OR ASSETS

37.1 The Association shall utilise all of its funds for, and shall direct all of its activities to, the furtherance of the sole or principal objectives of the Association set out in clause 4 and no portion of its profits, gains or assets shall be distributed to any person other than in the course of furthering its objectives.

37.2 No Member may directly or indirectly have any personal or private interest in the Association and none of the activities of the Association will be carried on for the specific benefit of an individual Member or any minority group.

37.3 If, upon winding up or dissolution of the Association there remains, after the satisfaction of all its liabilities, any assets whatsoever, the same shall not be paid to or distributed amongst the Members of the Association, but shall be transferred to:

37.3.1 another entity approved by the Commissioner for the South African Revenue Service in terms of Section 30B of the Income Tax Act, 1962;

37.3.2 a public benefit organisation approved in terms of Section 30 of the Income Tax Act, 1962;

37.3.3 an institution, board or body which is exempt from tax under the provisions of section 10(1)(cA)(i) of the Income Tax Act, 1962; or

37.3.4 the government of the Republic of South Africa in the national, provincial or local sphere,

to be determined by Members of the Association at or before the time of dissolution.

38. PROFIT-MAKING ACTIVITIES AND AVOIDANCE ARRANGEMENTS

38.1 Subject to clause 38.1, the Association, including the National Organisations and the Provincial Organisations, will not carry on any trading or profit-making activities.

38.2 The SAPA Board may carry on or be engaged in such profit-making activities as it determines from time to time, or permit the National Organisations and/or the Provincial Organisations to carry on or be engaged in such profit making activities, provided that such activities do not adversely affect the Association's status as an income tax exempt entity in terms of section 10(1)(d)(iv)(bb) of the Income Tax Act, 1962.

38.3 The Association will not knowingly be a party to, or knowingly permit itself to be used as part of an impermissible avoidance arrangement contemplated in Part IIA of Chapter III of the Income Tax Act, 1962, or a transaction, operation or scheme contemplated in section 103(5) of the Income Tax Act, 1962.

38.4 The Association, including the National Organisations and the Provincial Organisations, will not participate in or have a share or any other interest in any

business, profession or occupation carried on by any of its Members, nor will it provide any of its Members with financial assistance, premises or continuous services or facilities required by its Members for the purpose of carrying on any business, profession or occupation.

39. **POLITICAL ACTIVITIES**

The Association shall not use its resources directly or indirectly to support, advance or oppose any political party.

40. **PAYMENT OF REMUNERATION**

The Association shall not pay any remuneration, as defined in the Fourth Schedule to the Income Tax Act, 1962, to any employee, office bearer, Member or other person which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the services rendered.

41. **RESTRUCTURING OF THE ASSOCIATION**

41.1 It is recorded that upon this Constitution becoming effective, the Association as it existed immediately prior thereto will be restructured on the basis set out herein.

41.2 To the extent necessary, all of the assets and liabilities of the Association prior to its restructure as aforesaid shall be transferred and assigned to the restructured Association.

41.3 Any reserves which are allocated to any Subsidiaries immediately prior to this Constitution becoming effective shall be re-allocated as determined by the SAPA Board, to the extent necessary.

42. **DISSOLUTION OF THE ASSOCIATION**

42.1 The Association may be dissolved by a resolution passed at either Congress or a SAPA special general meeting by not less than two-thirds of the total votes to which Members present in person or by proxy are entitled to exercise at the meeting and on such terms and conditions as is provided in the resolution.

42.2 The provisions of clauses 33.1.1, 33.1.2, 33.1.3, 33.2 and 33.3 shall *mutatis mutandis* apply to such resolution.

Schedule 1

Proxy form

South African Poultry Association

This proxy form is for use by members of the South African Poultry Association ("**SAPA**") as determined in accordance with the Constitution of the SAPA.

For instructions on the use of this proxy form and a summary of the rights of the member and the proxy, please see the instructions and notes at the end of this form.

I/We _____

(please print full names)

of _____

do hereby confirm that I/we have considered the resolutions which are to be proposed at the **[insert details of the specific meeting to be held]** Meeting to be held on _____ 20__ at _____ and, after due consideration thereof, appoint

1. _____ or failing him / her

2. _____ or failing him / her

the chairperson of the **[insert details of the specific meeting to be held]** Meeting, as my/our proxy to attend, speak and to vote or abstain from voting on my/our behalf at the **[insert details of the specific meeting to be held]** Meeting or at any adjournment or postponement thereof, in accordance with the instructions set out below.

Indicate with a cross how you wish your votes to be cast (each member shall have one vote). If you do not do so, the proxy may vote or abstain at his/her discretion.

	For	Against	Abstain	Member's position regarding resolution to be explained by the proxy at the meeting
1. Resolution number 1 [insert]				
2. Resolution number 2 [insert]				

Signed at _____ on _____ **[insert date]**

Signature: _____

NOTES TO THE FORM OF PROXY

1. Instructions on signing and lodging the form of proxy

1.1 Members who are entitled to attend the meeting referred to on the front page of this form of proxy pursuant to the Constitution of the SAPA and who wish to appoint another person for the purposes of voting at the meeting are entitled to complete this proxy form.

1.2 A member may insert the name of a proxy in the space/s provided. Any such proxy must be a member of SAPA and, in the case of a meeting of a National Organisation also a member of the National Organisation which the principal is a member, as applicable. If the name of the proxy is not inserted, the chairperson of the meeting will be appointed as proxy. If more than one name is inserted, then the person whose name stands first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow.

1.3 The proxy appointed in this proxy form may not delegate the authority given to him / her in this proxy form to any other person.

1.4 Unless revoked, the appointment of a proxy in terms of this proxy form remains valid until the end of the meeting to which this proxy form relates, even if the meeting or a part thereof is postponed or adjourned.

1.5 If -

1.5.1 a member does not indicate on this instrument that the proxy is to vote in favour of or against or to abstain from voting on any resolution; or

1.5.2 the member gives contrary instructions in relation to any matter; or

1.5.3 any additional resolution/s which are properly put before the meeting; or

1.5.4 any resolution listed in the proxy form is modified or amended,

the proxy will be entitled to vote or abstain from voting, as he or she thinks fit, in relation to that resolution or matter. If, however, the member has provided further written instructions which accompany this form and which indicate how the proxy should vote or abstain from voting in any of the circumstances referred to in 1.5.1 to 1.5.4 above, then the proxy shall comply with those instructions.

1.6 This proxy form is revoked if the member who granted the proxy -

- 1.6.1 cancels the proxy appointment in writing; and
- 1.6.2 delivers a copy of the revocation instrument to the Secretariat, the committee of the organisation holding the meeting ("**Committee**") and to the proxy concerned, so that it is received by them by not later than 24 (twenty four) hours before the time of the meeting; or
- 1.6.3 makes a later, inconsistent appointment of a proxy.
- 1.7 If this proxy form is signed by a person on behalf of the member, whether in terms of a power of attorney or otherwise, then this proxy form will not be effective unless -
 - 1.7.1 it is accompanied by a certified copy of the authority given by the member to such signatory; or
 - 1.7.2 the Secretariat has already received a certified copy of that authority.
- 1.8 The completion and lodging of this form of proxy will not preclude the relevant member from attending, participating in and voting at the meeting to which this proxy form relates, to the exclusion of any proxy appointed in terms thereof.
- 1.9 The chairperson of the meeting to which this proxy form relates, may, at his/her discretion either reject a proxy form or other written appointment of a proxy which has not been completed and/or received in accordance with these instructions, or he/she may accept such proxy form or other written appointment of a proxy which is received prior to the time at which the meeting deals with a resolution or matter to which the appointment of the proxy relates. However, the chairperson shall not accept any such appointment of a proxy unless the chairperson is satisfied that it reflects the intention of the member appointing the proxy.
- 1.10 Any alterations or corrections made in this form of proxy must be initialled by the authorised signatory/ies.
- 1.11 A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced.
- 1.12 Documentary evidence establishing the authority of a person signing the proxy form in a representative capacity must be attached to this proxy form.