

Republic of South Africa

Companies Act, 2008

**MEMORANDUM OF INCORPORATION (MOI) FOR A
NON PROFIT COMPANY WITH MEMBERS**

Name of company:

**The Veterinary Defence
Association NPC**

referred to in this Memorandum of Incorporation as "VDA" Registration

No. **1992/002477/08**

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1. INTERPRETATION

1.1. In this Memorandum of Incorporation, unless the context otherwise requires:

- 1.1.1. **“Act” or “Companies Act”** – means the Companies Act, No. 71 of 2008 of the Republic of South Africa as amended;
- 1.1.2. **“Board”** – means the Board of Directors of VDA;
- 1.1.3. **“CEO”** – means the Chief Executive Officer and Executive Director of VDA;
- 1.1.4. **“Chairperson”** – means the Chairperson of the Board of Directors and the President of VDA;
- 1.1.5. **“Commission”** – means the Companies and Intellectual Property Commission established in terms of section 85;
- 1.1.7. **“Directors”** – the directors for the time being of VDA;
- 1.1.8. **“General Meeting”** – any general meeting of the Members, or any adjournment thereof, as the case may be, and all references in this MOI to "General Meeting" shall, where the context so requires, include a reference to an "annual General Meeting";
- 1.1.9. **“Income Tax Act”** – means the Income Tax Act, No. 58 of 1962 as amended or any legislation which replaces it;
- 1.1.10. **“VDA”** – means the Veterinary Defence Association (registration number 1992/002477/08), a non-profit company incorporated and existing under the laws of the Republic;
- 1.1.11. **“Individual”** - means a natural person;
- 1.1.12. **“Member”** – any member of VDA as contemplated in clause 6;
- 1.1.13. **“MOI”** – means this Memorandum of Incorporation;
- 1.1.14. **“Poll”, “Polling” and “Polled Vote”** – means voting by any of show of hands, electronic vote or paper-based ballot.
- 1.1.15. **“Professional”** – means any person practising or managing the practice of the skills used in the performance of work in the veterinary profession in the Republic of South Africa and includes

veterinarians, Animal Health Technicians and other para-veterinary professions as meant by the Veterinary and Para-Veterinary Professions Act, 19 of 1982 (as amended), the regulations and rules promulgated thereunder and any amending or substituting legislation, who subscribes to the VDA Member Handbook – Terms and Conditions of Membership;

1.1.16. **“Record Date”** - means the date established under section 59 on which a company determines the identity of its members for the purposes of the Companies Act;

1.1.17. **“ Republic”** – means the Republic of South Africa;

1.1.18. **“Rules”**- means any rules made by VDA as contemplated in section 15(3) to (5);

1.1.19. **“Sign” and “signature”** – includes; electronic signatures as contemplated in the ECT Act as amended.

1.1.20. **“Veterinarian”** or **“Veterinary Profession/Professional”** includes references to Veterinarians, Veterinary Nurses and Veterinary Technologists who are registered with the South African Veterinary Act of 1982

1.1.21. **“Vote” or “Voting”**- means a formal indication of course of action expressed typically by show of hands or ballot;

1.1.22. **“Voting Member”** – means any member of VDA as contemplated in clause 6.1.3.

1.2. All references to "section/s" in this MOI refer to the sections of the Companies Act unless the context indicates otherwise.

1.3. The headings are for reference purposes only and shall not affect the interpretation of this MOI.

1.4. Words in the singular number shall include the plural, and words in the plural number shall include the singular, words importing the masculine gender shall include the female gender, and words importing persons shall include created entities (corporate or not).

1.5. Words that are defined in the Companies Act bear the same meaning in this MOI as in that Act.

1.6. If any term is defined within the context of any particular clause in the MOI, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this MOI, notwithstanding that that term has not been defined in this interpretation provision.

- 1.7. If the provisions of this MOI are in any way inconsistent with the unalterable provisions of the Companies Act, the provisions of the Companies Act shall prevail.
- 1.8. The rule of construction that a contract shall be interpreted against the party responsible for the drafting or preparation of the contract, shall not apply to this MOI.
- 1.9. When a particular number of Business Days is provided for between the happening of one event and another, the number of days must be calculated by:
 - 1.9.1. excluding the day on which the first such event occurs;
 - 1.9.2. including the day on or by which the second event is to occur; and
 - 1.9.3. excluding any public holiday, Saturday or Sunday that falls on or between the days contemplated in clauses 1.9.1 and 1.9.2 respectively.

2. OBJECTS

The VDA is established to represent, promote and elevate interests of its Members in South Africa, and, in particular, to advance and represent the interests, of its members employed in the veterinary profession. In support of these objectives, the VDA shall diligently undertake the following specific activities:

- 2.1. Gather information and informed opinions pertaining to the veterinary profession from members and other authoritative sources, and disseminate such information and facilitate the exchange of views within the profession, the public and other selected audiences by electronic means, journals, publications, lectures, seminars, conferences and any other appropriate channels;
- 2.2. Provide an effective voice for veterinary practitioners to inform, advise and lobby Government and other bodies on veterinary policy;
- 2.3. Set standards and provide well-documented paths to enable practitioners within the Veterinary Profession to develop their skills and further their careers, and to obtain professional recognition;
- 2.4. Collect, document and assess information about qualifications, certifications, and other sources of learning pertaining to the various fields of activity within the veterinary profession, and to make this information available both to members and to others;

- 2.5. Identify, develop and maintain relationships with other South African and international bodies and entities that have a common or synergistic purpose, objectives, interests and/or influence over the activities of its members or others in the veterinary profession;
- 2.6. Seek membership and/or representation by and for the VDA within the structures of local and international bodies and entities where this is beneficial to its members;
- 2.7. To represent its members in all disputes, judicial, quasi judicial, civil and criminal proceedings that may be brought against the member by any member of the public or any authority;
- 2.8. Engage in community development that enhances the standards and levels of veterinary profession for the greater good of the South African people; and
- 2.9. Do all such other lawful things as are incidental or conducive to the attainment of the above objectives

3. INCORPORATION AND NATURE OF VDA

3.1. Incorporation

- 3.1.1. VDA is incorporated as a Non-profit Company, with members, in terms of the Companies Act.
- 3.1.2. VDA is incorporated in accordance with, and governed by:-
 - 3.1.2.1. the unalterable provisions of the Companies Act that are applicable to Non-profit companies;
 - 3.1.2.2. the alterable provisions of the Companies Act that are applicable to Non-profit companies, subject to any negation, restriction, limitation, qualification, extension, variation or substitution set out in this MOI; and
 - 3.1.2.3. the provisions of this MO

3.2. Objects and powers of VDA

- 3.2.1. The objects of VDA are as set out in clause 2 and, except to the extent necessarily implied by the stated objects, VDA has the powers and capacity of an Individual as envisaged by section 19(1)(b). (Confirming it is a juristic entity)

3.2.2. VDA is not subject to any restrictive conditions and there are no additional requirements or restrictions which apply to the amendment of this MOI as envisaged by section 15(2)(b) and section 15(2)(c) (May change something that the act deems alterable) and accordingly VDA may do anything which the Companies Act empowers a company to do unless prohibited by its MOI.

3.2.3. VDA:

3.2.3.1. must not, directly or indirectly, pay any portion of its income or transfer any of its assets, regardless of how the income or asset was derived, to any person who is or was an incorporator of the company, or who is a Member or Director, or person appointing a Director, of VDA, except:

3.2.3.1.1. as reasonable remuneration for goods delivered or services rendered to, or at the direction of, VDA;

3.2.3.1.2. as reasonable payment of, or reimbursement for, expenses incurred to advance a stated object of VDA;

3.2.3.1.3. as a payment of an amount due and payable by VDA in terms of a bona fide agreement between VDA and that person or another party;

3.2.3.1.4. as a payment in respect of any rights of that person, to the extent that such rights are administered by VDA in order to advance a stated object of VDA;
or

3.2.3.1.5. in respect of any legal obligation binding on VDA;

3.2.3.2. must apply all of its assets and income, however derived, to advance its stated objects, as set out in this MOI; and

3.2.3.3. subject to clause 3.2.3.2. and 9., may:

3.2.3.3.1 acquire and hold securities issued by a profit company; and

3.2.3.3.2 directly or indirectly, alone or with any other person, carry on any business, trade or undertaking consistent with or ancillary to its stated objects.

4. RULES AND AMENDMENT

- 4.1. The Board may make, amend or repeal any necessary or incidental Rules relating to the governance of the VDA by publishing a copy of these Rules and by sending notice thereof by registered post (to any address, within the Republic supplied by the Member to VDA) or by electronic transmission (to any electronic address supplied by the Member to VDA) to each of the Members and by filing a copy of the Rules with the Commission. Any Rules published in this manner take effect on the date specified in that rule and shall be subject to ratification by the Members as set out in section 15(4)(c)(ii) of the Companies Act. (only applicable for shareholding)
- 4.2. The Board may propose to amend any of the provisions of this MOI and the Members may by way of special resolution adopt such amendments.
- 4.3. A notice of the proposed alterations of the MOI shall be sent to each Member by registered mail or by electronic transmission at least 15 (fifteen) Business Days before the meeting at which the special resolution to amend the provisions of the MOI is to be passed.
- 4.4. The Board shall ensure that a copy of any amendments that have been made to the MOI have been provided to the Commissioner for the South African Revenue Service and the Commission within 30 (thirty) days of having effected such amendments.
- 4.5. The Board or a person authorised by the Board may alter the MOI or the Rules to correct any obvious errors (spelling, punctuation, grammar or similar defects on the face of the document) by publishing a notice of the alteration, on its website or in any other manner required or permitted by the Rules and by filing a notice of the alteration with the Commission.
- 4.6. No amendments to the MOI shall be made which will:
 - 4.6.1. allow any income or other funds or other assets of the VDA to be applied for a purpose which does not promote the achievement of the objects of the VDA; or
 - 4.6.2. amend this clause 4.6 in any manner which would give any proprietary or similar interest in the VDA's income or other funds or other assets to any Individual or any incorporated entity contrary to the provisions of the Income Tax Act.

5. OPTIONAL PROVISIONS OF THE COMPANIES ACT

VDA does not elect, in terms of section 34(2), to comply voluntarily with the provisions of chapter 3 of the Companies Act. As an NPC it is allowed to dispense with former auditing practices applicable mainly to public companies.

6. MEMBERS OF VDA

6.1. Membership

- 6.1.1. A Member may be any Veterinary Professional including Individuals, companies or other incorporated entities, statutory bodies, partnerships or associations of persons. The Board may, in its sole discretion, acting reasonably and in good faith to align with fiduciary duty principles determine the criteria to be applied for qualification of membership of VDA. The prevailing grades of membership are as more fully defined in the VDA Handbook – Terms and Conditions of Membership periodically amended from time to time by the Board of directors.
- 6.1.2. Membership for a determined period becomes effective subject to the following:
 - 6.1.2.1. application in writing, on the prescribed application form and agreement to comply with the prevailing VDA Rules and the VDA Handbook – Terms and Conditions of Membership
 - 6.1.2.2. acceptance of the application and approval by the Membership Committee;
 - 6.1.2.3. payment of the requisite application and membership fees.
- 6.1.3. Members of the VDA may be either Voting or non-Voting Members. Grades or types of membership are clearly identified in the “VDA Handbook – Terms and Conditions of Membership” as being either voting or non-voting. Non-Voting Members do not have any voting rights in the affairs of the VDA at any time and are not counted in the formation of a quorum for VDA meetings.
- 6.1.4. The decision to accept or to reject an application for membership is subject to the application of the membership qualification criteria as determined by the Board in terms of 6.1.1.
- 6.1.5. The Board may in its sole discretion determine categories of membership with set qualification criteria and confer membership of a certain category on a person who qualifies in terms of the criteria for that category.

- 6.1.6. The retention of membership status within the VDA will be subject to members complying with appropriate and acceptable Continuing Professional Development (CPD) applicable to their grade of membership, as decided from time to time by the Board and recorded in the VDA Policy.

6.2. Termination of Membership

6.2.1. Membership of VDA is *ipso facto* terminated if the Member:

- 6.2.1.1. dies;

- 6.2.1.2. fails to make punctual payment of any amount due to the VDA or fails to discharge any of his or her obligations to the VDA on due date, whether such obligation is related to membership or not and if the Board as a result, in its sole discretion, decides to terminate membership;

- 6.2.1.3. gives notice to VDA in writing of his or her resignation as a Member;

- 6.2.1.4. is sequestrated, surrenders his or her estate, or in the case of an incorporated entity, an order for the provisional winding-up of the Member is made, or the relevant Member enters into Business Rescue proceedings as contemplated in the Companies Act;

- 6.2.1.5. is placed under curatorship;

- 6.2.1.6. Is disqualified by any competent authority in the Republic to practice as a Veterinary Professional and such decision has not been overturned by a Court;

6.2.2. In addition to the causes for termination of membership in terms of clause 6.2.1., the Board has the power to terminate a Member's membership of VDA if, in its sole discretion:

- 6.2.2.1. the Member is guilty of conduct that is obstructive or harmful to the interests and/or objects of the VDA or which contravenes the VDA Handbook – Terms and Conditions of Membership;

- 6.2.2.2. the Member brings the VDA into disrepute;

- 6.2.2.3. it is obstructive or harmful to the interests and/or objectives of VDA that the Member should continue as a Member of the VDA.

6.2.3. The Board shall, when terminating a Member's membership in terms of clause 6.2.2., follow due and fair process as determined by the Board from time to time.

6.2.4. A Member whose membership has been terminated remains liable for all amounts that may at the date of termination of membership be due by the Member to the VDA.

6.2.5. The VDA maintains at its registered office a register of Members of the VDA as required by the Companies Act.

6.3. Rights of Members

6.3.1. Each Voting Member has an equal vote in any matter to be decided by Members (see clause 6.1.3. above).

6.3.2. The Board has regard to each of the Members' rights not to be discriminated against unfairly, as provided in section 9 of the Constitution of the Republic.

6.4. Appointment of proxies

6.4.1. A Voting Member may appoint any other Member of VDA, as a proxy to participate in and speak and vote at a General Meeting on behalf of the Voting Member.

6.4.2. The instrument appointing a proxy shall be in writing in the format prescribed by the VDA management and dated and Signed by the appointing Voting Member.

6.4.3. The instrument appointing a proxy shall be delivered to the registered office of the VDA, or electronically to its nominated email address, not less than 48 (forty-eight) hours before the time for holding the General Meeting at which the person named in the instrument proposes to vote, and in default of complying herewith the instrument of proxy shall not be treated as valid.

6.4.4. No instrument appointing a proxy is valid after the expiration of 1 (one) year from the date when it was Signed, unless so specifically stated in the proxy itself, and no proxy shall be used at an adjourned General Meeting which could not have been used at the original General Meeting.

6.4.5. A Voting Member of VDA may not appoint 2 (two) or more persons concurrently as proxies.

6.4.6. A Voting Member's proxy shall not have the authority to further delegate such proxy's powers to another person.

6.5. Record Date for exercise of Member rights

If, at any time, the Board fails to determine a Record Date, the Record Date for participating in and voting at a General Meeting is the latest date by which the VDA is required to give Members notice of that meeting.

6.6. General Meetings

- 6.6.1. The VDA must hold an annual General Meeting within 15 (fifteen) months of the previous annual General Meeting held.
- 6.6.2. The right of Voting Members to requisition a General Meeting, as set out in section 61(3) of the Act, may be exercised by at least 10% of the Members, as provided for in that section.
- 6.6.3. VDA must deliver a notice of each General Meeting (including the annual General Meeting) at least 15 (fifteen) Business Days before the date of the meeting in the manner and form as prescribed by section 62(3) of the Act to all of the Members of VDA as at the Record Date for the meeting.
- 6.6.4. The authority of the Board to determine the location of any General Meeting, and the authority of the VDA to hold any such meeting in the Republic or in any foreign country, as set out in section 61(9) of the Act is not limited or restricted by this MOI.
- 6.6.5. The authority of VDA to conduct a General Meeting entirely by electronic communication, or to provide for participation in a General Meeting by electronic communication, as set out in section 63 is not limited or restricted by this MOI. The VDA may, from time to time, provide for Members to participate in General Meetings by way of electronic communication, including voting by electronic and / or other means, in the event of which VDA shall communicate this to Members in advance of the General Meeting as required by section 63 of the Act.

6.7. Proceedings, quorum and voting at General Meetings

- 6.7.1. At the Annual General Meeting the following matters are dealt with and disposed of:
 - 6.7.1.1. presentation of:
 - 6.7.1.1.1. the Directors' report;
 - 6.7.1.1.2. audited financial statements for the immediately preceding financial year;
 - 6.7.1.2. the election of one third of the board of Directors;
 - 6.7.1.3. the appointment of an auditor for the ensuing financial year;

- 6.7.1.4. any matters placed on the agenda by the Board; and
- 6.7.1.5. any matters raised by the Members, provided the procedure in clause 6.7.2 has been followed in respect of such matters.
- 6.7.2. If a Voting Member wishes to raise a matter to be dealt with as an agenda item at a General Meeting, that Voting Member must give the Board written notice of any such matter at least 5 (five) Business Days before the date of the meeting, setting out in the notice the nature of the matter and reasons in sufficient detail.
- 6.7.3 A General Meeting may not begin until at least 1% (one percent) of Voting Members are present in person (or effectively online) at the meeting and any matter to be decided at the meeting may not begin to be considered and decided unless at least 1% (one percent) of Voting Members are present at the meeting at the time the matter is called on the agenda.
- 6.7.4. The Chairperson of the board presides as Chairperson at every General Meeting of the VDA. If the Chairperson is unwilling or unable to act as Chairperson of the General Meeting or is not present within 15 (fifteen) minutes after the time appointed for holding the meeting one of the Vice-Chairpersons must preside over the meeting. If the Vice-Chairpersons are unwilling or unable to act as such, the Board members present shall elect one of their members to be Chairperson of the meeting.
- 6.7.5. If within 1 (one) hour from the time appointed for the General Meeting to commence, a quorum is not present, the General Meeting shall be postponed, without motion, vote or further notice for 1 (one) week to the same time and day in the next week or, if that day is not a Business Day, to the next succeeding day which is a Business Day, and if at such adjourned General Meeting a quorum is not present within thirty minutes from the time appointed for the General Meeting, then the Voting Members present at the meeting shall be deemed to be the requisite quorum.
- 6.7.6. At a General Meeting Voting will be by Polling.
- 6.7.7. A polled Vote must be held on any particular matter to be voted on at a General Meeting if a demand for such a Vote is made by at least 5 (five) persons having the right to Vote on that matter, either as a Voting Member or a proxy representing a Voting Member.
- 6.7.8. A declaration by the Chairperson of the General Meeting that a resolution has been carried together with an entry to that effect in the General Meetings minutes is conclusive evidence of the fact, without requiring proof of the number or proportion of the votes recorded in favour of or against such resolution.

- 6.7.9. If a poll is duly demanded it shall be taken in such a manner as the Chairperson directs and the result of the poll shall be deemed to be the resolution of the General Meeting at which the poll was demanded. The Chairperson of the General Meeting may appoint scrutineers to determine the result of the poll.
- 6.7.10. In the event of an equality of votes, the Chairperson at a General Meeting has a second or casting vote.
- 6.7.11. A Vote demanded on the question of adjournment, is taken forthwith. A Vote demanded on any other question is taken at such time as the Chairperson of the General Meeting directs, and no notice need be given of a poll not taken immediately. The demand for a Vote shall not prevent the continuation of a General Meeting for the transaction of any business other than the question upon which the Vote has been demanded.
- 6.7.12. At a General Meeting each Member who is entitled to vote on a resolution proposed at that meeting and who is present in person or by proxy is entitled to 1 (one) vote on that resolution.

6.8. Members resolutions

- 6.8.4. For an ordinary resolution to be adopted at a General Meeting, it must be supported by more than 50% of the Members who voted on the resolution, as provided in section 65(7) of the Act.
- 6.8.5. For a special resolution to be adopted at a General Meeting, it must be supported by at least 75% of the Members who voted on the resolution, as provided in section 65(9) of the Act.
- 6.8.6. The quorum for both ordinary and special resolutions is as set out in clause 6.7.3.

7. BOARD OF DIRECTORS

7.1. Authority of the Board and delegation. All appointed Directors will be regarded as paid up members of the VDA for the duration of their elected period.

7.1.4. The authority of the Board to manage and direct the business and affairs of the VDA, as set out in section 66(1) is not restricted in this MOI.

7.1.5. The Board may delegate any of its powers to Board appointed committees consisting of such Board members or other persons as it deems fit.

7.1.6. Each Board committee must have terms of reference dealing with its composition; role and purpose, functions; delegated authorities; tenure; meeting requirements and procedures and reporting mechanism to the Board.

7.1.7. The Board or a committee of the Board may delegate to management of the VDA any of its powers upon such terms and conditions as is deemed fit.

7.1.8. Notwithstanding that it may afterwards be discovered that there has been some defect in the appointment or continuance in office of a Director or person acting as a Director, bona fide decisions by the Board or by any person acting in good faith as a Director of the VDA are as valid as if every such person had been duly appointed, were qualified and continued to be a Director or were entitled to vote, as the case may be.

7.1.9. The Board has the responsibility to appoint a suitable CEO.

7.2. Composition of the Board

7.2.1. The Board consists of a minimum of 3 (three) and a maximum of 7 (seven) Directors, inclusive of ex officio directors.

7.2.2. A Director may resign office by notice in writing to the Board.

7.3. Appointment, nomination and election of non-executive Directors+

7.3.1. Subject to 7.2.1 the Board may in its sole discretion co-opt and appoint additional Directors to its number between Annual General Meetings. Any casual vacancy occurring on the Board between Annual General Meetings may be filled by the Board if the number of remaining Directors is at

the minimum or above, but must be filled by the Board if the number of remaining Directors falls below the minimum.

- 7.3.2. A Director who has been appointed by the Board in terms of 7.3.1 must stand down at the next annual General Meeting and may, subject to recommendation by the Board, stand for re-election.
- 7.3.3. Subject to 7.3.1, vacancies in non-executive Director positions are filled by Member elections at the Annual General Meeting.
- 7.3.4. Prior to the Annual General Meeting, the Board ensures that a notice asking for the nomination of candidates is undertaken. A shortlist of candidates is drawn up for recommendation to Members for election at the annual General Meeting. In determining the shortlist, the Board follows due and fair process and takes into account the skills, knowledge and experience requirements of the Board.
- 7.3.5. The Board includes in the notice of the Annual General Meeting the names of the short-listed candidates, together with their curricula vitae and such further information as the Board deems necessary to enable Members to exercise an informed vote.
- 7.3.6. The nomination of candidates by Members is subject to 7.3.4. and no nominations by Members made outside the set process are allowed.
- 7.3.7. Candidates absent from the Annual General Meeting are not eligible without having rendered prior apologies to VDA in advance of the meeting together with sound reasons for absence.
- 7.3.8. The election by Members at the Annual General Meeting is to be conducted as a single ballot, with vacancies being filled by the candidates polling the highest number of votes, in descending order, until all vacancies on the board at that time have been filled. Each Voting Member present in person (or effectively online) or by proxy is entitled to vote in favour of as many candidates as there are vacancies.
- 7.3.9. Voting for non-executive Directors is conducted by means of a ballot.
- 7.3.10. If at any General Meeting at which an election of non-executive Directors ought to take place, the offices of the retiring non-executive Directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the provisions of clause 6.7.5. shall apply *mutatis mutandis* to such adjournment, and if at such adjourned meeting the vacancies are not filled, the Board shall fill the vacancies subject to re-election of those Directors at the next Annual General Meeting.

- 7.3.11. The Chairperson, a maximum of two Vice-Chairpersons, a Treasurer and all Board committee chairpersons shall be elected annually by the Board from its members at the first Board meeting after the Annual General Meeting of the VDA.

Should any Vice-Chairperson or the Treasurer vacate his respective office during the year for any reason whatsoever, the Board shall, at its next Board meeting, elect a new Vice-Chairperson or Treasurer from its members and such Vice-Chairperson or Treasurer shall hold office until the next succeeding Annual General Meeting.

7.4. Disqualification of Directors

A Director ceases to hold office in the event of the Director:-

- 7.4.1. resigning his / her office by notice in writing;
- 7.4.2. becoming ineligible or disqualified to be a Director by virtue of any of the provisions of the Companies Act;
- 7.4.3. being removed by a resolution of the Members or Board of Directors as provided for in section 71;
- 7.4.4. failing to attend 3 (three) meetings of the Board or its committees in 1 (one) financial year and the Board determines in its sole discretion that it is without good cause;
- 7.4.5. having a material interest in any contract or proposed contract with the VDA or in a matter before the Board and failing to declare such interest and the nature thereof in the manner required by the Companies Act and this MOI; or

7.5. Proceedings of the Board

- 7.5.1. The Board may meet in person or via any electronic communication, for the dispatch of business, adjourn and otherwise regulate their meetings at such times and places as it thinks fit. The authority of the Board to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in section 73(3) of the Act is not limited or restricted by this MOI.
- 7.5.2. The Board shall meet at least four times per annum.

- 7.5.3. The authority of the Board to determine the manner and form of providing notice of its meetings, as set out in section 73(4) of the Act is not limited or restricted by this MOI.
- 7.5.4. The authority of the Board to proceed with a meeting despite a failure or defect in giving notice of the meeting, as set out in section 73(5) of the Act is not limited or restricted by this MOI.
- 7.5.5. The right of Directors to requisition a meeting of the Board, as set out in section 73 (1) of the Act, may be exercised by at least 25% of the Directors.
- 7.5.6. The quorum necessary for the transaction of the business of the Board is a majority of the number of Directors in office, provided that the majority of the directors present must be non-executive Directors.
- 7.5.7. Questions arising at any meeting are decided by a majority of votes. Each Director has one vote on a matter before the Board. In the event of an equality of votes at a meeting, the Chairperson of the meeting shall have a second or casting.
- 7.5.8. Subject to the provisions of section 75 of the Act, in respect of Directors' conflicts of interests:
 - 7.5.8.1. All Directors must at the first Board meeting of each year or at the first Board meeting that the Director attends complete an interest declaration in the format agreed by the Board and submit the forms to the Chairperson .
 - 7.5.8.2. At every Board meeting a declaration of conflict of interest must be made in the manner and form agreed by the Board in regard to all items for consideration before the Board.
 - 7.5.8.3. A Director may not vote in respect of any matter tabled at the Board in which the Director has a material interest, or on any matter arising therefrom and if a vote is exercised contrary to this, the vote is not counted.
 - 7.5.8.4. The Director must not take part in the consideration of the matter and leave the meeting immediately after making the required disclosure.
- 7.5.9. While being absent from the meeting in terms of 7.5.8.4, the Director:
 - 7.5.9.1. will be regarded as being present for the purpose of determining whether a sufficient number of Directors are present to constitute a quorum; and
 - 7.5.9.2. will not be regarded as being present at the meeting for the purpose of determining whether a resolution has sufficient support to be adopted.

- 7.5.10. Subject to the provisions of the Act, a round-robin resolution in writing adopted by the majority of Directors is as valid and effective as if it had been passed at a duly called and constituted meeting of the Board or its committee as the case may be, provided that each Director has received notice of the matter to be decided. An adopted round-robin resolution may consist of multiple hard or electronic copies of the same resolution, each signed by one or more Board members. A resolution of Directors passed in terms of this clause is presented at the next meeting of the Board or its committee as the case may be for noting and signature by the Chairperson of that meeting in terms of the provisions of section 24 and section 73(8). (24 how a company deals with its records and 38 deals with the composition of a resolution)
- 7.5.11. The Board may act notwithstanding a vacancy, but, if and for as long as its number is below the minimum required in terms of this MOI, the continuing Directors may only act for the purpose of increasing the number of Directors to the minimum number, or for convening a General Meeting of the VDA.
- 7.5.12. The Board must elect a Chairperson and determine the period for which the is to hold office. If at any meeting the Chairperson is not present within five minutes after the time appointed for holding the same, any Vice-Chairperson may preside over the meeting. If the Chairperson and Vice-Chairpersons are not available, the Directors present may elect one of their members to be the Chairperson of the meeting.
- 7.5.13. All acts bona fide performed by members of the Board acting individually or collectively for or on behalf of the Board, shall notwithstanding it be afterwards shown that there was some defect in their appointment, be as valid as if every such member had been qualified to act.

7.6. Accounting Records and annual financial statements

- 7.6.1. The Board requires accounting records as required by section 28 of the Act to be kept.
- 7.6.2. The financial year of the Institute shall end on the last day of May of each year.
- 7.6.3. The accounting records are kept at the registered office of VDA or at such other place or places as the Board decides, and are always open for inspection by the Directors.
- 7.6.4. The Board determines from time to time whether, to what extent, at what times and places and under what conditions the accounting records of VDA shall be open to inspection by Members, and no Member has any right to inspect any accounting records or documents of VDA except as conferred by the Companies Act and/or other applicable legislation.

7.6.5. The Board, in accordance with the Companies Act, ensures the preparation and tabling at the Annual General Meeting as a minimum the matters referred to in 6.7.1 and performs all duties in relation to annual financial statements, accounting records and auditors in accordance with the Companies Act and other applicable legislation. A copy of the annual financial statements which are to be tabled at the annual General Meeting, must be sent to every Member not less than 15 (fifteen) Business Days before the date of the meeting.

8. NOTICES TO MEMBERS

8.1. If a manner of delivery of a document, record, statement or notice is prescribed in terms of this MOI or the Companies Act:

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

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

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

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

8.2. If, in terms of this MOI or the Companies Act, a notice is required or permitted to be given or published to any person, it is sufficient if the notice is transmitted electronically directly to that person in a manner and form such that the notice can conveniently be printed by the recipient within a reasonable time and at a reasonable cost.

8.3. Any notice, document or statement sent in terms of this MOI or the Companies Act shall be deemed to have been delivered on the date and time determined in accordance with Table CR3 in the regulations in terms of the Companies Act.

9. COMPLIANCE WITH SECTION 30B OF THE INCOME TAX ACT

- 9.1. The Board consisting of more than three Directors accepts the fiduciary responsibility of VDA. No single person shall directly or indirectly control the decision making powers relating to VDA.
- 9.2. VDA is prohibited from distributing any of its funds or assets to any person (otherwise than in the course of undertaking its objects) and is required to utilise its funds solely for the objects for which it has been established.
- 9.3. Any Member of VDA is prohibited from having any personal or private interest in VDA except insofar as rendering a service to VDA in pursuit of its objects and subject to 9.4 and 9.6.
- 9.4. VDA is prohibited from directly or indirectly distributing any surplus funds to any person, other than in terms of clause 10 of this MOI.
- 9.5. Substantially the whole of the activities of VDA shall be directed to the furtherance of its objects and not for the specific benefit of an individual member or minority group.
- 9.6. VDA may not pay any remuneration to any person which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered.
- 9.7. The Board undertakes to submit to the Commissioner of the South African Revenue Service and the Commission a copy of any amendment to the MOI of VDA within thirty days of its amendment.
- 9.8. The VDA undertakes to comply with the reporting requirements as may be determined by the Commissioner of the South African Revenue Service from time to time.
- 9.9. The VDA is not knowingly and will not knowingly become a party to, and does not knowingly and will not knowingly permit itself to be used as part of, an impermissible avoidance arrangement contemplated in Part IIA of Chapter III, or a transaction, operation or scheme contemplated in section 103(5) of the Income Tax Act.

10. DISSOLUTION OF THE VDA

10.1. The VDA shall be dissolved by a special resolution to be effected by the Members. Upon the dissolution of the VDA, the Board shall, after making provision for the liabilities and obligations of VDA and the costs of dissolving the VDA, distribute the whole of the VDA's income (including distributed income still in its possession) and assets to:

10.1.1. another entity approved by the Commissioner of the South African Revenue Service in terms of section 30B of the Income Tax Act; or

10.1.2. a public benefit organisation approved in terms of section 30 of the Income Tax Act to be determined by the Directors at or before the time of dissolution or failing such determination by the Court; or

10.1.3. any institution, board or body which is exempt from tax under the provisions of section 10(1)(cA)(i) of the Income Tax Act, which has its sole or principal object the carrying on of any public benefit activity.

10.2 No past or present Member or Director shall be entitled to any part of the net value of VDA after the liabilities and obligations contemplated in clause 10.1 have been satisfied.

Amendment History

This MOI was adopted by Special Resolution passed at the AGM on 19 November 2025

in substitution of the existing Constitution and Articles of Association of The Veterinary Defence Association
NPC