

CONSTITUTION OF THE AGRICULTURAL BUSINESS CHAMBER (AGBIZ)

**(As amended at the Agbiz Members' Meeting held on the 25th
of August 2023)**

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1. NAME

The name of the association is the Agricultural Business Chamber of South Africa (hereinafter referred to as Agbiz).

2. BUSINESS ADDRESS

The business address of Agbiz is The Grain Building, 477 Witherite Road, The Willows, Pretoria, or such other address on which the Council may decide from time to time.

3. STRATEGIC INTENT, MISSION AND OBJECTIVES

3.1 Agbiz's Strategic intent is to enable businesses in the South African agricultural value chains to operate competitively and sustainably in the domestic environment, and on a global basis.

3.2 Agbiz's mission is to negotiate for and facilitates a favourable business environment in order for its members to perform competitively and sustainably.

3.3 The main objectives of Agbiz are:

3.3.1 To influence the regulatory environment insofar as it affects agribusiness activities, by way of on-going and professional interaction with all relevant institutions.

3.3.2 To position agribusinesses and Agbiz as key stakeholders within local communities in the South African economies and even further abroad.

3.3.3 To improve the commercial and developing agribusiness environment through liaison and co-operation with influential groups within the business environment, both locally and globally.

3.3.4 To promote inclusive growth and participation in agricultural value chains.

3.3.5 To create unique, relevant and accessible agribusiness intelligence to support Agbiz programmes.

4. VALUES

- 4.1 Agbiz is committed to applying the principles of good corporate governance in all its operations and activities to the extent applicable and to upholding its values as set out in the Agbiz Code of Conduct.
- 4.2 *Agbiz and its members cooperate positively, dynamically, creatively and with integrity to foster conditions for the sector to grow inclusively.*
- 4.3 *The culture of Agbiz is to subscribe to the values of ethical business, accountability, leadership, trust, competence, quality service and excellent communication.*
- 4.4 The true impact of Agbiz is not measured in its activities, meetings or contributions to the regulatory sphere, but rather in the *good relations, efficient communication and the positive attitudes* that are established between Agbiz and all other role players in agricultural value chains.
- 4.5 Agbiz is regarded and positioned as a reliable and appreciated partner, as well as a leader and thought leader, in government and business circles

5. COMPOSITION, POWERS AND CONTROL

5.1. Composition

- 5.1.1. Agbiz consists of *businesses and associations operating in the various agricultural value chains* that subscribe to the objectives of Agbiz and that comply with the requirements for membership as described hereinafter.

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5.1.2. The nature and scope of membership shall be determined in accordance with the terms of this Constitution.

5.2. **Powers**

5.2.1. Agbiz shall be entrusted with all the powers including signing powers necessary to enable it to achieve its objectives and, more specifically but without detracting from the generality of aforesaid powers, and as approved by Council from time to time in its delegation of authority matrix (Annexure A), Agbiz shall have the right to:

5.2.1.1. own, purchase or otherwise obtain, sell or otherwise dispose of, rent or let, pledge or mortgage, offer as surety, or cede or secure any other right on any fixed or movable property, and, in general, engage in any juristic act in respect thereof;

5.2.1.2. borrow or lend money, or obtain or incur loans of any nature, and to offer or accept security for such loans as may be necessary;

5.2.1.3. advance money to any person or entity;

5.2.1.4. open bank accounts, and draw from and overdraw on such accounts;

5.2.1.5. invest funds in any way;

5.2.1.6. make donations to or accept donations from any person or entity;

5.2.1.7. institute and defend legal action, and subject to arbitration any dispute and, in respect of legal proceedings, arbitration or judicial inquiries, appoint and remunerate the necessary legal teams;

5.2.1.8. appoint staff to execute and handle its work and affairs, with such powers and on such conditions in terms of salary and otherwise as may be determined from time to time;

5.2.1.9. pay honoraria and allowances to office bearers and management for services rendered.

5.2.1.10. Do everything that may be necessary to implement the above-mentioned powers and achieve the afore-mentioned objectives.

5.3 Control

5.3.1 The business and affairs of Agbiz shall be managed by or under the direction of the Council, which has the authority to exercise all the powers and perform any of the functions of Agbiz, except to the extent limited in this Constitution.

5.3.2 The Council shall be appointed in terms of clause 9.2 of this Constitution.

5.4 Governance Structure

5.4.1 The governance structure of Agbiz will consist of:

- (ii) Governing Body: The Council whose main function and duty it is to determine strategy and provide oversight of the business and affairs of Agbiz;
- (iii) Committees of the Governing Body: Such committees as established by the Council from time to time in terms of clause 4.5, and including, at the time of adoption of this amended Constitution:
 - a. the Council Steering Committee whose main function it is to monitor the implementation of strategy and plans as approved by the Council and to fulfil such other functions as delegated by the Council from time to time to ensure the effective functioning of the corporate governance day-to-day affairs of Agbiz; and

- b. the Audit and Risk Committee whose main role it is to assist the Council in providing independent oversight of, among others:
 - i. the effectiveness of assurance functions and services of Agbiz, with particular focus on combined assurance arrangements, including external assurance service providers and the finance function;
 - ii. the integrity of the annual financial statements and other external reports issued by Agbiz; and
 - iii. the effective management of risk.

5.5 Officers and other Committees

5.5.1 The Council may appoint any officers and/or committees it considers necessary to better achieve the objects of Agbiz. The Council may from time to time confer upon any officer and/or committee such of the powers and authority vested in the Council as the Council may deem fit, for such time, for such purpose and on such term and conditions and with such restrictions as the Council deems appropriate and the Council may from time to time revoke or vary all or any of such powers and authorities.

5.5.2 The authority of a committee appointed by the Council shall be as set out in the mandate given to the committee by the Council and as amended from time to time.

6 LEGAL STATUS

6.1 Agbiz shall be a body corporate, with its own legal identity distinct from its Members, and shall be the owner of all its assets.

6.2 The financial obligations of Members are limited to the membership fees payable in terms of this Constitution and

special projects as determined by the Council from time to time.

7 MEMBERSHIP

7.1 Membership of Agbiz is open to all business entities and associations operating in agricultural value chains whose written application for membership has been duly approved by the Council, who has paid the required membership fee and who has agreed to subscribe to this Constitution and the Agbiz Code of Conduct.

7.2 Agbiz Members shall consist of the following classes of membership:

- (i) Corporate Members are companies or organisations operating in agricultural value chains that are affiliated to Agbiz and that contribute to the higher category of membership fees and that are entitled to the benefits prescribed for such members as set out in this Constitution;
- (ii) Basic Members are companies or organisations operating in agricultural value chains that are affiliated to Agbiz and that contribute to the lower category of membership fees and that are entitled to the benefits prescribed for such members as set out in this Constitution; and
- (iii) Dedicated Desk Members are members that join a desk of Agbiz. Council may also establish new desks;
- (iv) Associated Desk Members are companies or organisations operating in agricultural value chains that do not qualify for full membership of a desk as a dedicated desk member, but join a desk as associated members. The benefits of the associated desk members are prescribed by Council; and

- (v) Industry Association members are non-profit organisations that represent companies, entities and sole-proprietors operating in agricultural value chains.

7.3 A Member in Good Standing shall mean a Member whose membership fees have been duly paid in full and/or whose membership has not been suspended.

7.3 The class of membership of each Member will be determined by the following rules:

7.3.1 Subject to compliance with the definitions of the different membership categories, any entity who applies for Agbiz membership may choose to become a corporate member;

7.3.2 Subject to 7.4 below, an industry association who applies for Agbiz membership will be required to pay the membership fee determined by Council from time to time. The membership fee for Industry Associations must range between the fee determined for basic and corporate members and be commensurate with the rights, benefits and votes afforded to industry associations.

7.3.3 Subject to the requirements set out in this section, the class of membership of each member will be determined by its own choice upon application for membership and changes must be communicated to Agbiz in writing before the end of September preceding the year in which such a change will apply.

7.4 An Industry association may only choose to be a basic member under one of the following circumstances;

7.4.1 Where its annual turnover falls below the threshold determined by Council; or

7.4.2 Where it is also a dedicated desk member.

7.5 Dedicated desk members must first be members of Agbiz. Associated desk members can, however, join the dedicated

desks without having to become a basic or corporate member of Agbiz.

7.6 Subject to the requirements and definitions set out in the Constitution, the terms of the respective membership classes are determined by the Council from time to time.

7.7 The annual membership fee shall be as determined by the Council from time to time according to membership fee policy, on the understanding that the membership fee payable by Basic Members shall be determined as the greater of 0.06% of the last three years' average turnover or a fixed fee as determined by the Council from time to time.

7.8 Only Corporate Members in Good Standing shall be entitled to:

7.8.1 participate in the activities of the Council;

7.8.2 nominate individuals from that entity for election as the Chairperson, a Deputy Chairperson or additional member of the Steering Committee; and

7.8.3 support a demand for a meeting of Members to be called.

7.9 Basic members in good standing shall be entitled to:

7.9.1 services offered by Agbiz administration, subject to the terms of membership classes determined by the Council from time to time.

7.9.2 intelligence generated by Agbiz administration.

7.9.3 participation in Agbiz events and workshops, subject to a possible fee determined by the administration to cover costs; and

7.9.4 have access to relevant activities that Agbiz may initiate.

7.10 Industry Associations in good standing shall be entitled to;

7.10.1 All intelligence generated by Agbiz;

7.10.2 Participation in Agbiz events and workshops, subject to a possible fee determined by the administration to cover costs;

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7.10.3 Attend one Agbiz Council meeting per year; and

7.10.4 Access to any other activity Agbiz may initiate.

7.11 The membership fees as determined by the Council each year shall be paid annually by the Members within 60 (sixty) days from date of invoice.

7.11.1 New Members whose applications have been approved by the Council shall be expected to pay a pro rata amount of the membership fee for the remainder of the financial year within which the membership application is approved, within 60 (sixty) days from date of invoice.

8 TERMINATION OF MEMBERSHIP

8.1 Membership shall be deemed terminated when a member:

- (i) submits a written resignation, provided that, in such a case, the member's resignation shall only be effective at the end of Agbiz's financial year subsequent to expiry of a period of three (3) months, calculated from the date on which such resignation was received by Agbiz;
- (ii) ceases to comply with the conditions of membership, and the Council, on the grounds of such non-compliance, gives the member written notice of termination of their membership; or
- (iii) fails to pay their membership fees within 60 (sixty) days after such fees became payable or such extended period as agreed to by the Council, and where the Council, on the basis of such non-payment, decide to terminate the Member's membership.

8.2 All categories of membership (i.e. Corporate, Basic, Industry Association, Dedicated and Associated Desk Members) may be suspended or terminated in terms of the following provisions:

8.2.1 If it shall appear to the Council that a Member has:

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- (i) acted willfully in contravention of any provision of this Constitution or the Agbiz Code of Conduct; and/or
 - (ii) been guilty of bringing Agbiz into disrepute; and/or been guilty of conduct which has rendered or may render the Member unfit to remain a Member of Agbiz;
- the matter shall be considered by the Council at the earliest opportunity, on recommendation from the Steering Committee.

8.3 The Steering Committee shall, on not less than 20 (twenty) business days' written notice:

- (i) advise the Member of the intention of the Council to consider the matter; and
- (ii) invite the Member to be present in order to make such representations and advance such facts as may be relevant to the matter to be considered.

8.4 The Member may then within 10 (ten) business days after receiving the notice as contemplated above make such representation and advance such facts in writing or may personally appear to do so at the time the matter is considered by the Council.

8.5 The Council may, on consideration of the matter and in an appropriate case, whether or not the Member has availed himself of the rights set forth in 7.2.3:

- (i) make such ruling in the circumstances, as it may deem just in the interests of the Member and Agbiz, including suspending the membership of the Member for such period as the Council deem appropriate; or
- (ii) terminate the membership of such Member with immediate effect.

8.6 Any Member whose membership is terminated as envisaged herein for whatever reason shall thereupon cease to be a Member and shall have no claim whatsoever against Agbiz or

the Council arising from such termination and whether for charges, return of membership fees or otherwise.

8.7 Any Member whose membership is suspended as envisaged herein for whatever reason shall not be entitled to vote at any meeting of Members for such period as the suspension remains in place.

8.8 Notwithstanding the termination of the membership of a Member as envisaged herein, Agbiz shall have the right to institute legal action against such Member to recover any outstanding monies due to Agbiz including outstanding membership fees.

9 MEETINGS AND EXECUTIVE

9.1 Members' Meetings

9.1.1 General Members' Meeting

9.1.1.1 The General Members' Meeting of Agbiz shall be held at least once every two (2) years at a venue, date and time as determined by the Council, as advised by the Steering Committee, in order to:

- (i) receive and consider the Chair's report;
- (ii) receive and consider the Agbiz annual financial statements for the previous financial year;
- (iii) elect the Chair, two Deputy Chairpersons and additional members of the Agbiz Council and Steerco who shall serve as Chair and Deputy Chairs until the conclusion of the subsequent General Members' Meeting; One of the chairpersons (the chair and / or deputy-chairs) must be elected from previously disadvantaged groups;

- (iv) elect five (5) representatives from the corps of basic members that will serve on the Council;
- (v) determine the basis for calculating membership fees payable by members, with the understanding that membership payments will be in relation to voting power;
- (vi) consider, discuss and, if necessary, vote on motions placed by the Steering Committee, and/or that the CEO may include, on the agenda;
- (vii) deal with such other matters as the Steering Committee may include on the agenda;
- (viii) appoint the external auditors on recommendation from the Council.

9.1.2 Special Members' Meetings

Special Members' meetings –

- 9.1.2.1 may be convened from time to time as deemed necessary by the Council; and
- 9.1.2.2 must be convened within sixty (60) days as from receipt of a written request for such a meeting (specifying the purpose of the meeting) from not less than 5 (five) Corporate Members;

9.1.3 General rules applicable to Members' Meetings and Special Members' Meetings

9.1.3.1 Notice

The Council shall, with the assistance of the Steering Committee, inform Members of a Members' Meeting by way of written notice, which shall be sent at least 21 (twenty-one) days before the date of the relevant meeting. Such notice

shall include the venue, date and time as well as the agenda and supporting documentation of such a Members' Meeting. The Steering Committee shall be responsible for preparation of the agenda and supporting documentation, subject to approval by the Council.

9.1.3.2 Chair

The Chair of the Council, or in his absence, one of the Deputy Chairs, shall preside over Members' Meetings, provided that, if neither the Chair nor Deputy Chairs are present within fifteen (15) minutes from the scheduled commencement time, those representatives present shall, from their own ranks, elect a person to chair the meeting.

9.1.3.3 Voting rights and representation

- (i) In the case where voting takes place either per closed ballot or show of hands, a Corporate Member shall have 10 (ten) votes, an Industry Association 3 votes and a Basic Member 1 (one) vote.

- (ii) Voting may take place in person or by proxy.
- (iii) Where a member acts as a proxy, the weighting of that member's vote will be adjusted to include the proxy but no separate vote shall be exercised on behalf of the proxy.
- (iv) Members are each entitled to 1 (one) representative at a Members' Meeting, unless decided otherwise by the Council before commencement of such a meeting. Members may also, at their discretion, send observers to a Members' Meeting, provided that such observers shall have no voting rights.

- (v) A person may represent more than one Member for voting purposes, provided a formal proxy is submitted to the CEO ahead of the meeting.

- (vi) A person attending the meeting as the representative of a Member shall, before commencement of such meeting,

submit written proof of authorisation to act as such, unless otherwise determined by the Chair.

- (vii) Voting at Members' Meetings shall take place in the manner decided by the Chair, including by electronic means, provided that a confidential means shall be used if the Chair decides on the latter or if at least 10 (ten) representatives present formally request it, provided that in the election of the Chair or Deputy Chairs of Agbiz, voting shall always take place per a confidential means.

9.1.4 Motions

Each member as well as the Council members shall be entitled to submit any number of motions for the agenda of a Members' Meeting, subject to the following:

- 9.1.4.1 Motions shall reach the Chief Executive Officer of Agbiz before or on the date that will be made known to each member by way of a written notice, but which date shall be not later than 30 (thirty) days before the date of the relevant Members' Meeting. No further motions shall be placed on the agenda of the Members' Meeting without the unanimous consent of the meeting, provided that the Chair shall decide at what point during the meeting such additional matters may be discussed.
- 9.1.4.2 All motions shall, after receipt thereof, be referred to the Steering Committee, which shall co-ordinate such motions and decide on the programme and agenda of the Members' Meeting, subject to prior approval of the Council.

9.1.5 Quorum

- (i) Thirty per cent (30%) of Council Members shall form a quorum for a Members' Meeting.
- (ii) If, within 30 (thirty) minutes after the scheduled time for the meeting to begin, a quorum is not present, the meeting will be postponed without motion, vote or further notice (unless the venue of the meeting is changed) for a period of one

week and, if the postponed date falls on a public holiday, the meeting will be held on the first business day following such public holiday. In the event that the meeting was called on demand from Members, the meeting will not be postponed and will be cancelled.

(iii) If, within 30 (thirty) minutes after the scheduled time for the postponed meeting to begin, a quorum as required in terms of 8.1.6(i) is not present, the meeting will proceed and will be deemed to be quorate.

(iv) The Chair of the meeting of Members may extend the periods referred to above for a further 30 (thirty) minutes in the event of exceptional circumstances and such extension will be in the sole discretion of the Chair.

9.2 Council

9.2.1 The Agbiz Council shall be constituted as follows:

- i. The Chair of Agbiz;
- ii. The two Deputy Chairs of Agbiz; and
- iii. One (1) representative each for Corporate Members.
- iv. The five (5) members who were elected in terms of 8.1.1.1 (iv) above by the General Members' Meeting.

Members of the Council shall at all times be expected to act:

- i. in good faith and for a proper purpose;
- ii. in the best interest of Agbiz;
- iii. with due care, skill and diligence; and
- iv. to declare any potential conflict of interest in a timeous manner.

9.2.2 General

9.2.2.1 Each Corporate Member shall be entitled to appoint and remove 1 (one) individual as a member of the Council by written notice addressed to the Chair of Agbiz.

- 9.2.2.2 The term of office of Council members appointed by Corporate Members shall take effect on receipt by Agbiz of the written notice as contemplated above.
- 9.2.2.3 The Chair and Vice-Chairs shall be elected at a General Members' Meeting based on a nomination process as approved by the Council from time to time. The term of office of the Chair and Deputy-Chairs shall take effect immediately after the General Members' Meeting where they were elected and shall expire at the end of the next General Members' Meeting.
- 9.2.2.4 The Chair of Agbiz, or in his absence one of the Deputy Chairs, shall preside over Council meetings, provided that, if neither the Chair or Deputy Chairs are present at the meeting within 15 (fifteen) minutes after the scheduled commencement time, those Council members present shall from own ranks elect someone to chair the meeting.
- 9.2.2.5 If the office of Chair should become vacant for any reason, one of the Deputy Chairs shall act as Chair until the conclusion of the next General Members' Meeting where the vacancy shall be filled by the Members.
- 9.2.2.6 If a member of the Council for any reason no longer represents a member of Agbiz, such member shall immediately vacate his office as Council member. Agbiz member has the onus to advise on a replacement representative for the Agbiz Council member.

9.2.3 Powers

- 9.2.3.1 The business and affairs of Agbiz shall be managed by or under the direction of the Council, which has the authority to exercise all the powers and perform any of the functions of Agbiz, except to the extent limited in this Constitution.
- 9.2.3.2 The Council may address representations to any national or international authority or government body regarding specific or general agricultural business matters.

- 9.2.3.3 The Council may annually spend and use such amount of Agbiz funds for education, advertising or any other purpose which, in the opinion of the Council, shall be to the direct or indirect benefit of members of the agribusiness sector.
- 9.2.3.4 The Council may establish trust funds, appoint trustees for said funds and dispose of the proceeds of such funds.
- 9.2.3.5 The Council may delegate any matter to the Steering Committee or any other committee, body, institution or working group.
- 9.2.3.6 The Council may appoint such committees, working groups and/or dedicated desks as may be necessary, and entrust them with such powers as may be deemed advisable and necessary.
- 9.2.3.7 The Council shall appoint the Chief Executive Officer of Agbiz on such terms and for such period as the Council deems fit.
- 9.2.3.8 The Chairperson of Agbiz shall have the right to invite any person to attend a meeting of the Council or the Steering Committee, and to serve the Council or the relevant committee with advice.
- 9.2.3.9 The Council shall annually determine and specify membership fees considering, amongst others, the financial status and needs, budget and business plans of Agbiz.
- 9.2.3.10 The Council may award an outgoing office bearer honorary membership of Agbiz, which honorary membership shall entitle the person to attend Members' Meetings of Agbiz but without the rights of a representative.
- 9.2.3.11 The Council may present an honorary award in the form of a luminary address to any person who has provided excellent service to the agricultural business sector.
- 9.2.3.12 The Council shall approve the audited annual financial statements of Agbiz within 6 (six) months after year end.

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9.2.3.13 The Council shall review and approve the Agbiz strategy, budget and business plans from time to time on recommendation from the Steering Committee.

9.2.4 Quorum

A quorum for a Council meeting shall consist of a majority of the members of the Council present in person or via telecommunication.

9.2.5 Functions and duties

9.2.5.1 The main purpose of the Council shall be to direct and oversee the business and affairs of Agbiz taking guidance from the decisions taken at Members' Meetings and the strategic plan of Agbiz.

9.2.5.2 The objectives Agbiz should strive to achieve are to:

- (i) promote and represent agribusiness in South Africa;
- (ii) create and promote a spirit of co-operation and goodwill among agricultural businesses and organisations;
- (iii) co-ordinate, protect and promote the interests of its members, and to identify obstacles, carry out studies and submit recommendations with regard to agribusiness development and actions, provided that, with regard to internal decision-making by individual members, members themselves shall assume the initiative to implement such recommendations;
- (iv) maintain co-operation between national and provincial agricultural organisations, commodity and business organisations and members organisations, as well as promote international co-operation.

9.2.5.3 The Council shall furthermore be responsible:

- (i) for convening congresses and conferences of agricultural business groups, or other members, as may be deemed necessary;
- (ii) for addressing representations to the government or any state department or other body and to advise them on all matters affecting agricultural business;
- (iii) to oversee and direct the finances of Agbiz, and to have such finances inspected.
- (iv) to handle matters submitted by members to the Steering Committee and CEO through the Committees of Council;
- (v) to accept or reject the membership application of any person or organisation, without giving reasons for the decision; and
- (vi) to undertake any other function or duty that may be deemed to impact the agricultural business sector.

9.2.5.4 The Council may delegate any of its powers and functions as envisaged above in terms of a formal delegation of authority as approved from time to time but shall at all times remain accountable for the management of the affairs of Agbiz.

9.2.6 Meetings

9.2.6.1 Council Meetings shall be held when necessary and shall be convened at any time at the instructions of the Chair, provided that at least 3 (three) meetings shall be held each year.

9.2.6.2 A Council Meeting shall be convened if such meeting is requested in writing by at least five (5) members of the Council.

9.2.6.3 A Council member shall not be entitled to appoint a proxy and a member shall forfeit his membership of the Council if he misses more than 2 (two) consecutive Council Meetings without the consent of the Chair.

9.3 Steering Committee

9.3.1 In line with best practice and good corporate governance recommendations, the Council shall appoint a Steering Committee with responsibilities, amongst others, similar to those of a committee generally referred to as an executive committee.

The Steering Committee shall be composed as follows:

- 9.3.1.1 the Chair of Agbiz;
- 9.3.1.2 the Deputy Chairs of Agbiz;
- 9.3.1.3 the Chief Executive Officer of Agbiz; and
- 9.3.1.4 2 (two) additional members of the Council.

9.3.2 The additional members of the Council as referred to in 8.3.5.4.4 shall be nominated and elected by the Council members every second year at the General Members' Meeting. The nomination and election process shall be determined by the Council from time to time.

9.3.3 Quorum

A quorum for the Steering Committee shall be a majority of members present in person or via telecommunications.

9.3.4 Powers and duties

9.3.4.1 The Steering Committee shall have such powers and perform such duties as the Council may from time to time delegate or assign in terms of a formal delegation of authority framework, and shall be accountable to the Council, but may address representations and adopt views on behalf of the Council, within the ambit of its delegated authority,

on condition that it reports fully to the Council in this regard.

9.3.4.2 The CEO shall table a written report on its activities and recommendations at each meeting of the Council.

10 FINANCIAL YEAR AND FINANCE

10.1 The financial year of Agbiz shall be the end of February

10.2 Books and accounts that reflect the financial transactions of Agbiz as well as an inventory of the assets of Agbiz shall be kept by the Chief Executive Officer. All such books and accounts, and entries therein, shall be audited annually and the audited annual financial statements shall be submitted to the Council for approval within 6 (six) months after the year end.

10.3 An Audit and Risk Committee consisting of at least 3(three) members with appropriate qualifications and/or experience will be appointed every second year by the Council at the first meeting of the Council following the General Members' Meeting.

11 TAXATION OF THE ORGANISATION

11.1 The organisation shall endeavour at all times to comply fully with the provisions of Section 30(B) of the Income Tax Act 58 of 1962, and more specifically, shall not knowingly become a party to or allow itself to be used as part of an impermissible tax avoidance arrangement as contemplated in Section 103(5) of the said Act.

11.2 Requirements relevant to tax status:

11.2.1 For Agbiz to comply with the requirements relevant to a public benefit organization or an entity enjoying tax

exemption status as provided for in the Income Tax Act, and for the period while it is so registered or enjoying such status, it is expressly agreed that:

- 11.2.1.1 The sole objective of Agbiz as described in this Memorandum shall at all times be to carry on one or more public benefit activities as defined in section 30(1) of the Income Tax Act;
- 11.2.1.2 no activity will directly or indirectly promote the economic self-interest of any fiduciary or employee of Agbiz otherwise than by way of reasonable remuneration
- 11.2.1.3 no member of Agbiz may directly or indirectly have any private or personal interest in Agbiz;
- 11.2.1.4 at least 3 (three) directors will not be connected persons in relation to each other and no single director or prescribed officer shall directly or indirectly control the decision-making powers relating to Agbiz;
- 11.2.1.5 substantially the whole of the funds of Agbiz will be used for the objects for which it was established and it may not distribute any of its funds or assets to any person other than in the course of furthering its objectives, unless otherwise provided in the Constitution;
- 11.2.1.6 substantially the whole of Agbiz's funding shall be from its members, or from an appropriation by the government, a provincial administration or a municipality or from such other sources as allowed in terms of the Income Tax Act;
- 11.2.1.7 no remuneration will be paid to any employees, office bearer or other person which in the opinion of the Board is excessive, having regard to what is reasonable in the sector and in relation to the service rendered;

- 11.2.1.8 Agbiz will not economically benefit any person in a manner that is inconsistent with its objects as described in this Constitution;
- 11.2.1.9 substantially the whole of its activities must be directed to the furtherance of its sole or principal object and not for the specific benefit of an individual member or a minority group;
- 11.2.1.10 Agbiz may not have a share or other interest in any business, profession or occupation which is carried on by its members;
- 11.2.1.11 Agbiz will comply with such reporting requirements as may be determined by the Commissioner of the South African Revenue Services from time to time;
- 11.2.1.12 Agbiz will not accept any donation that may be revoked by the donor for reasons other than Agbiz failing to abide by the designated purposes and conditions of the donation;
- 11.2.1.13 Agbiz 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; and
- 11.2.1.14 any amendment to this Constitution will be submitted to the Commissioner of the South African Revenue Services within 20 (twenty) business days of such amendments being approved by members.

12 AMENDMENT OF THE CONSTITUTION

Disclaimer: Everything has been done to ensure the accuracy of this information, however, AGBIZ takes no responsibility for any loss or damage incurred due to the usage of this information.

12.1 This Constitution may be amended solely by way of a resolution adopted at a quorate Members' Meeting by at least a two-thirds majority of votes cast by those Member representatives present at the meeting.

12.2 The proposed amendment of the Constitution shall accompany the notice of the relevant Members' Meeting.

13 DISSOLUTION


13.1 Agbiz may only be dissolved at a Special Members' Meeting where at least 51% (fifty one percent) of Corporate Members are represented and at least 75% (seventy five percent) of the votes cast by Members are in favour of such dissolution.

13.2 In the event of a decision in favour of dissolution, the assets of Agbiz that remain after compliance with any obligations, shall be donated or made over to another organisation, society, association or institution with similar objectives as those of Agbiz. If, on dissolution, no such other organisation, society, association or institution exists, the members at the aforesaid Members' Meeting shall, by way of a simple majority of votes, decide on the way in which such assets should be dealt with.

14 GENERAL

14.1 For purposes of this Constitution the singular form shall also denote the plural, and vice versa, and words that indicate the male shall also denote the female, and words that refer to individuals shall be deemed to include corporate bodies.

- 14.2 Any reference in this Constitution to an enterprise or organisation shall be deemed to include a company, close corporation, partnership, trust, association, business, firm or similar entity.
- 14.3 In the event of a tie of votes, the Chair at any meeting shall, besides his ordinary vote, also have a deciding vote.
- 14.4 In case of uncertainty in respect of the meaning or interpretation of any of the terms of this Constitution, the Council shall be the final arbitrator and its decision shall be binding on all Members.



CHAIR



CHIEF EXECUTIVE OFFICER

Annexure A

AGBIZ

DELEGATION OF AUTHORITY MATRIX: NO 1/2017

FA = Final Approval PA = Prior Approval CN = Council Notification ID = Initiate & Develop PC = Prior Consulting N = Notification	Annual General Meeting (AGM)	Council	Committees of Council (Audit & Risk; Transformation)	Steering Committee	CEO	Finance (CFO / FM)	Human Resources	Information Management	Business Units (Desks)	Marketing + Communication
1. STRATEGIC PLANS										
<ul style="list-style-type: none"> Group 		FA			ID					
<ul style="list-style-type: none"> Business Units (Desks?) 			N	N	FA				ID	
2. BUDGETS										
<ul style="list-style-type: none"> Group Budget, including Capital Budget 		FA	PA	PA	PC	ID				
<ul style="list-style-type: none"> Business Units (Within limits of Group Budget) 					FA	ID			PA	

Annexure A

Refer to Guiding Principles for additional information

FA = Final Approval PA = Prior Approval CN = Council Notification ID = Initiate & Develop FC = Functional Contribution FFA = Final Approval for functional area only PFA = Prior Functional Approval PC = Prior Consulting N = Notification	AGM	Council	Committees of Council	Steering Committee	CEO	Finance	Human Resources	Information Management	Business Units (Desks)	Marketing & Communication
3. BUDGET PARAMETERS										
<ul style="list-style-type: none"> Inflation, interest and exchange rates (and other macro economic indicators), debt/equity ratio, etc. 		CN		N	FA	ID				
<ul style="list-style-type: none"> Manpower cost increase 		CN		FA	PA		ID			
<ul style="list-style-type: none"> Market assumptions 				FA	ID					
4. GROUP POLICIES										
<ul style="list-style-type: none"> Safety, Health & Environmental Policy 		CN		FA	ID					
<ul style="list-style-type: none"> Manpower and Remuneration Policy 		CN		FA	PA		ID			
<ul style="list-style-type: none"> IM/ICT Policy 		CN	PA (Audit)	FA		ID				
<ul style="list-style-type: none"> Risk Management Policy 		CN	PA (Audit)	FA		ID				
<ul style="list-style-type: none"> Insurance Policy 		CN	PA (Audit)	FA		ID				
<ul style="list-style-type: none"> Treasury Policy 		CN	FA (Audit)	PA		ID				
<ul style="list-style-type: none"> Internal Audit Charter 		CN	FA (Audit)	PA		ID				
<ul style="list-style-type: none"> Cash-Flow Policy 		CN	BN (Audit)	FA		ID				
<ul style="list-style-type: none"> Accounting Policy 		CN	FA (Audit)	PA		ID				
<ul style="list-style-type: none"> Legal Services Policy 		CN		FA	ID					

Annexure A

FA = Final Approval PA = Prior Approval CN = Council Notification ID = Initiate & Develop PC = Prior Consulting N = Notification	AGM	Council	Committees of the Council	Steering Committee	CEO	Finance	Human Resources	Information Management	Business Units (Desks)	Marketing & Communication
<ul style="list-style-type: none"> Corporate Identity and Communication Policy 				FA	PA					ID
<ul style="list-style-type: none"> Commercial Policy 				FA		ID		ID	ID	ID
5. GROUP FINANCIAL STATEMENTS AND REPORTING										
<ul style="list-style-type: none"> Bi-Annual Report (Excluding Annual Financial Statements) 	FA	PA			PA	ID				
<ul style="list-style-type: none"> Annual Financial Statements 		CN	PA (Audit)	FA	PA	ID				
<ul style="list-style-type: none"> Quarterly Reports to the Council 		CN	PA	FA		ID				
<ul style="list-style-type: none"> Monthly management accounts 			FA	PA	FA	ID				
6. AUDITORS										
<ul style="list-style-type: none"> Appointment and dismissal 		FA	PA (Audit)							
<ul style="list-style-type: none"> Reports 		CN	FA (Audit)			ID				
<ul style="list-style-type: none"> Non-statutory Audit / Consultancy >R 20 000 				FA	ID		ID		ID	ID
<ul style="list-style-type: none"> <R 20 000 					FA	ID	ID		ID	ID
<ul style="list-style-type: none"> Audit Fees 		CN	PA (Audit)	FA		ID				
7. BUSINESS INVESTMENTS										
<ul style="list-style-type: none"> Investment decisions as per Capital Approval Framework* (See item 11 below) 		CN	PA	FA						
<ul style="list-style-type: none"> Structuring and Administration 				N	FA	ID				

Annexure A

Refer to Guiding Principles for additional information

FA = Final Approval PA = Prior Approval CN = Council Notification ID = Initiate & Develop PC = Prior Consulting	AGM	Council	Committees of the Council	Steering Committee	CEO	Finance	Human Resources	Information Management	Business Units (Desks)	Marketing & Communication
8. LITIGATION <ul style="list-style-type: none"> To initiate litigation that could have major financial or reputational implications 		FA		PA	ID				ID	
9. SALE OF MOVABLE ASSETS (EXCLUDING FIXED ASSETS)* <ul style="list-style-type: none"> TRANSACTION APPROVAL > R10 million 		FA	PC	PA		PC			ID	
< R10 million > R5 million			PC	FA	PA	PC			ID	
< R5 million > R1 million			PC	FA		PC			ID	
< R1 million (BU's only)			PC		FA	PC			ID	
<ul style="list-style-type: none"> SIGNING AUTHORITY All transactions 				N	FA					
10. FIXED PROPERTY TRANSACTIONS <ul style="list-style-type: none"> TRANSACTION APPROVAL* > R10 million 		FA	PC	PA		PC				
< R10 million > R5 million			PC	FA		PC				
< R 5 million			PC	FA		PC				
< R 1 million			PC	N	FA	PC				
<ul style="list-style-type: none"> SIGNING AUTHORITY* All transactions 				N	FA					

Annexure A

Refer to Guiding Principles for additional information -

FA = Final Approval PA = Prior Approval CN = Council Notification ID = Initiate & Develop PC = Prior Consulting N = Notification	AGM	Council	Committees of the Council	Steering Committee	CEO	Finance	Human Resources	Information Management	Business Units (Desks)	Marketing & Communication
11. PROCUREMENT OF CAPITAL GOODS & PROJECTS										
<ul style="list-style-type: none"> Authority to approve capital goods & projects, included in budgets. 			PA (Audit)	FA	ID	ID				
<ul style="list-style-type: none"> Authority to approve capital goods & projects, not included in budgets. 		N	PA (Audit)	FA	ID	ID				

Refer to Guiding Principles for additional information

FA = Final Approval PA = Prior Approval CN = Council Notification ID = Initiate & Develop PC = Prior Consulting N = Notification	AGM	Council	Committees of the Council	Steering Committee	CEO	Finance	Human Resources	Information Management	Business Units (Desks)	Marketing & Communication
12. PROCUREMENT OF MATERIALS AND SERVICES										
<ul style="list-style-type: none"> Authority to approve recommended suppliers/contracts 					N	FA	FA	FA	FA	
<ul style="list-style-type: none"> Authority to approve Operational Expenditure (per item) 				N	FA	ID		ID	ID	ID

Annexure A