

THE CONSTITUTION OF MIDRAND TOURISM 'MT'

1. NAME OF THE ASSOCIATION

THE ASSOCIATION shall be called Midrand Tourism herein after referred to as MT, an industry association capable of suing and being sued in its own name.

2. AREA OF OPERATION

The activities of MT shall be confined to the Midrand area of Gauteng and surrounds, within THE REPUBLIC OF SOUTH AFRICA.

3. DEFINITIONS AND INTERPRETATION

3.1. In this CONSTITUTION, unless the context clearly indicates otherwise:

3.2. "MT means:
The Voluntary Trade Association constituted by this Constitution.

3.3. "MT FUNDS" means:
The capital and accumulated income under administration by the REGISTERED OFFICE OF MT for membership as well as sponsorships and business activities for all divisions and affiliated associations or chapters of MT.

3.4. "THE REPUBLIC" means:
The Republic of South Africa as presently constituted.

3.5. The masculine shall include the feminine, and the singular shall include the plural, and references to persons shall include juristic persons, and vice versa in all cases.

3.6. "MT REGISTERED OFFICE " means:
The physical office of the **JCCI – Midrand region:**

Level 3 West, Gallagher House
Gallagher Estate
19 Richards Drive
MIDRAND
Fax No. +27 11 315 0958

- 3.7. “THE DIVISIONS OF MT” means:**
The grouping of membership into CATEGORIES, as indicated on the application form for membership, and accepted by MT MANAGEMENT COMMITTEE. In future, MT MANAGEMENT COMMITTEE may allow for additional groups.
- 3.8. “MT MANAGEMENT COMMITTEE” means:**
The duly elected representatives from the divisions of MT consisting of a maximum of ten members.
- 3.9. “PRIMARY MEMBER” means:**
Accommodation provider, conference or convention centre or similar business.
- 3.10. “CORPORATE/ASSOCIATION MEMBER” means:**
Any business with an interest in tourism or any tourism-related association.
- 3.11. “SUPPORT MEMBER” means:**
Any tourism service provider and any individual joining in an individual capacity.
- 3.12. “OWNER-MANAGED ACCOMODATION MEMBER” means:**
Privately owned accommodation businesses.
- 3.13. “JCCI (MC)” means:**
The Johannesburg Chamber of Commerce and Industry (Midrand Chamber).
- 3.14. Commercial entities mean:**

Entities selling goods (Restaurants, shopping centres, Spa’s, pharmacies, garages, ext)
- 3.15. Industry Support means:**

Entities rendering a service (Travel agents, event organisers, consultants, doctors ext.

4. OBJECTIVES OF MT

- 4.1. MT has been established to realise the following objectives:
- 4.2. To conduct itself as a voluntary association of its members who provide services in the tourism sector in Midrand and surrounding areas, such members being desirous of promoting their collective interests, and the area in general to the domestic and foreign tourism market.
- 4.3. The specific objectives of MT shall be:
 - 4.3.1. To promote and facilitate the effective operation of the activities of its members with regard to marketing the destination.
 - 4.3.2. To formulate guidelines which members of MT should adhere to in order to promote and maintain high standards of quality and service;
 - 4.3.3. To liaise with appropriate tourism bodies;
 - 4.3.4. To promote and market membership of MT;
 - 4.3.5. To encourage unity and co-operation amongst members;
 - 4.3.6. To recognise and adhere to the CONSTITUTION, of MT and protect members' interests;
 - 4.3.7. To establish effective communication between members and all institutions affecting the industry;
 - 4.3.8. To, at all times, strive for a financially sound MT;
 - 4.3.9. To recognise the democratic rights and freedom of association of members.

5. ACTIVITIES AND APPROPRIATIONS

MT shall be empowered to undertake all such activities and projects in the furtherance of its objectives, as it may deem necessary and appropriate, and the MT MANAGEMENT COMMITTEE shall be vested with a complete and unfettered discretion as to the manner in which it shall apply MT FUNDS.

All such funds, from wherever derived, and whether of a capital or income nature,

shall be at the disposal of the MT MANAGEMENT COMMITTEE, to be applied by it for the purposes and objectives of MT, in such manner and subject to such terms and conditions as the MT MANAGEMENT COMMITTEE in its sole discretion may deem appropriate on condition that;

5.1. The powers of the MT MANAGEMENT COMMITTEE shall be qualified in compliance with the requirements of the Commissioner of Inland Revenue, as follows:

5.1.1. MT shall be precluded from acquiring immovable property solely for the purpose of letting and deriving income therefrom; and it shall be precluded from engaging in any profit-making scheme involving trading operations or speculative transactions, save to the extent that they may constitute an activity undertaken in bona fide pursuance of the objectives of MT and in this regard it is specifically recorded that MT has the power to own shares in its own name.

5.1.2. MT shall not be permitted to accept donations/sponsorships which are unilaterally revocable at the insistence of the donor, or which seek to impose conditions upon MTA, which are inconsistent with the terms of this CONSTITUTION.

5.1.3. The affairs of MT are to be administered in such a manner as to preclude any donor from deriving monetary advantage from monies paid to, by or for the benefit of MT.

5.1.4. The cash resources which may be available for investment by MT from time to time, may be invested only with "Financial Institutions"; as defined in terms of the Financial Institutions (Investment of Funds) Act 1984; in units of a duly registered Mutual Fund, as defined in terms of The Unit Trusts Control Act, 1981; and in shares with a duly registered Private and Public Company.

5.2. The MT MANAGEMENT COMMITTEE shall, forthwith on receipt thereof, deposit all monies not invested as set out above in the main account of MT.

5.3. The capital and income of MT shall be applied solely towards the promotion of its established objectives and purposes; no portion thereof shall be paid or transferred, directly or indirectly, by way of profit distribution (whether as salary, dividend, bonus or otherwise) to any of THE MEMBERS of MT. Provided that nothing contained in this CONSTITUTION shall prevent the payment in good faith to any person (including such member) for:

5.3.1. Reasonable remuneration for services rendered to MT, including payment of salary to persons employed by MT.

5.3.2. Reimbursement of actual costs, expenses and commitments reasonably incurred on behalf of MT and with its authority.

5.4. If on the cessation or dissolution of MT there remains, after the satisfaction of its debts and commitments, any funds whatsoever, such funds shall be transferred by donation to such other body with similar aims and objectives to MT, such donation being determined by the MT MANAGEMENT COMMITTEE.

6. THE MEMBERS

6.1. Provision Governing Membership:

6.1.1. The rights, terms, obligations, conditions, rules, privileges, qualifications, admission, resignation, suspension and termination of membership of members of MT or any resolutions or guidelines relating to membership adopted by the MT MANAGEMENT COMMITTEE from time to time shall be binding on all subscribers hereto and upon all subsequent members of MT.

6.1.2. Any member who is a partnership, association, body corporate or sole trader must nominate the person duly authorised to represent that member.

6.2. Number of Members

There shall be no limit as to the number of members of MT.

6.3. Qualifications for Categories of Membership.

Categories of Membership

There shall be four categories of membership: primary, corporate/association, support and owner-managed accommodation.

6.4. Admission to Membership

the criteria for acceptance or rejection of membership may be determined by the MT MANAGEMENT COMMITTEE from time to time. Application for membership shall be made in writing on the form prescribed by MT and be submitted to the MCCI.

6.5. Register of Members

6.5.1. A Register of Members shall be maintained by MT.

6.5.2. The Register shall detail both the class and details of membership and be updated regularly and kept in accordance with the requirements of any legislation affecting such registration of members.

6.6. Transfer of Membership

Membership of MT shall not be transferable or assignable.

6.7. Resignation of Membership

6.7.1. A member desiring to resign his membership of MT shall lodge written notice of his intention to do so at the MT REGISTERED OFFICE. Following receipt by the MT REGISTERED OFFICE of the said notice, the resignation shall become effective.

6.7.2. From the effective date of a member's resignation, the member shall have no further liability to MT except for the payment of all past subscriptions which may have accrued up to the effective date of the resignation but which have not been paid. Such monies may be collected through any legal process available to the MT MANAGEMENT COMMITTEE. From the effective date of resignation all rights, privileges and benefits accruing to MT members will also cease for the resigned member with no liability to MT.

6.8. Termination of Membership

6.8.1. In the event of a member ceasing for any reason to be qualified for membership in terms of Article 6.3 or 6.4 above, his membership shall automatically terminate forthwith, whereupon the provisions of Article 6.7.2. Shall apply mutates mutandis.

6.8.2. If any subscription determined in terms of Article 7 is unpaid for the period of 1 (ONE) month after the due date for payment thereof, and for a further period of 14 (FOURTEEN) days after written notice, in terms of Article 14, has been received by the member concerned from the MT REGISTERED OFFICE, the MTA MANAGEMENT COMMITTEE shall be entitled, if it deems fit, to cancel the membership of the defaulting member without further notice, who shall thereupon cease to be a member of MT, and all rights and privileges of membership shall thus cease immediately.

6.8.3. In the event of death, if the member is a person, or in the case of a body corporate or incorporated or (Pty) Ltd company, on such body being placed in liquidation, whether provisional or final, or ceasing to have legal existence,

6.8.4. If the member is a partnership or association, on the dissolution of the partnership or association, or on the death of a partner unless the surviving partner/s satisfy the Chairman of the MT that the written Agreement of Partnership provides for immediate reconstitution of the partnership on the death of one partner

6.9. The MT MANAGEMENT COMMITTEE may, by consensus and after due appropriate procedure and action has been followed, expel any member for good cause.

6.10. No refunds of membership fees, whether in total or in part, shall be entertained, unless specifically approved by the MT MANAGEMENT COMMITTEE.

7. SUBSCRIPTIONS

7.1. Schedule of Subscriptions

A schedule of the Subscriptions determined by the MT MANAGEMENT COMMITTEE setting out in detail the subscriptions payable by the separate categories of membership, from time to time, shall be kept at the MT REGISTERED OFFICE and copies will be made available to members on request. The schedule shall be updated as soon as possible after the MT MANAGEMENT COMMITTEE has determined any variation in the amount of subscriptions payable.

8. THE MTA MANAGEMENT COMMITTEE

8.1. All executive powers of MT shall vest in a body to be known as the MT MANAGEMENT COMMITTEE, which shall be entitled to act on behalf of MT in all matters affecting the conduct of its affairs, in furtherance of its powers and objectives.

8.2. The MT MANAGEMENT COMMITTEE shall comprise:

8.2.1 Representatives of the various portfolio's. The different portfolio's representing the tourism industry sectors and the number of representatives are:

- Accommodation – 2
- Conferencing – 1
- Attractions – 1
- Commercial Entities – 2
- Transportation – 1

- Industry Support - 2

In the case where there are no portfolio representative an additional member may be elected. Chapters may only be added or terminated at the AGM.

8.2.1. A representative of the JCCI (MC) Executive Committee;

8.2.2. Any person the MT MANAGEMENT COMMITTEE may co-opt, from time to time, for a specific task and period of time;

8.2.3. Any other office bearers that the MT MANAGEMENT COMMITTEE may decide on from time to time;

8.2.4. A minimum of 6 (SIX) and a maximum of 10 (TEN) members;

8.2.5. The elected MANAGEMENT COMMITTEE members of MT, who shall amongst themselves, annually, elect a Chairman and Vice –chairman and Treasurer of the MT MANAGEMENT COMMITTEE;

8.3. The Chairman shall be appointed by a majority vote of the MEMBERS of the MT MANAGEMENT COMMITTEE for a period of 1 (ONE) year.

8.3.1. The Chairman may be dismissed or removed from such post only by a 2/3 (TWO THIRDS) majority vote of the members of the MT MANAGEMENT COMMITTEE, provided that the MT MANAGEMENT COMMITTEE, in so removing or dismissing a Chairman, shall do so for a good reason and by way of a fair procedure.

8.4. THE MT MANAGEMENT COMMITTEE will establish the criteria for the affiliation of other organisations or associations with MT.

8.5. Members of the MT MANAGEMENT COMMITTEE will be appointed for a period of 1 (ONE) year, where after they may stand for re-election. Each year, 2 (TWO) members of the MT MANAGEMENT COMMITTEE will step down to allow for rotation of members.

9. ALTERNATES TO THE MEETINGS OF THE MT MANAGEMENT COMMITTEE, PORTFOLIOS and all other COMMITTEES of MT

9.1. Each member of these committees shall have the power to appoint one of the other members thereof, or any other person, to act as his alternate during a temporary absence or inability to act as a member, provided that such other person:

- 9.1.1. Is not disqualified, in terms of THIS CONSTITUTION, from acting;
- 9.1.2. Shall have been approved by a majority of the remaining members of these committees in their sole discretion.
- 9.1.3. An alternate member of these committees, whilst acting in the place of the person who appointed them, shall be entitled and required to exercise all powers and authorities of the member he represents, subject to any specific limitation contained in a written instruction by that member.

10. COMMITTEE MEMBER VACATING OFFICE FROM THE MT MANAGEMENT COMMITTEE, PORTFOLIO'S and all other COMMITTEES of MT

10.1. The office of the member of these committees shall be vacated if a member;

- 10.1.1. Resigns or on the death of; or
- 10.1.2. Becomes unsound of mind; or
- 10.2. Becomes insolvent or assigns his estate for the benefit of or compromises with his creditors; or would be disqualified, in terms of the Companies Act or equivalent legislation in force from time to time, from acting as a director of a company.

In the event of a position on these committees falling vacant for any of the reasons set out in 10.1 above, these committees, may co-opt a person to fill the vacancy. The person so co-opted shall hold office until the next General Meeting, at which Meeting such office may be terminated or ratified.

11. PROCEDURE AT MT MANAGEMENT COMMITTEE, PORTFOLIO'S and all other COMMITTEES of MT

These committees shall conduct their meetings and regulate their proceedings as they find convenient provided that:

- 11.1. Each committee shall elect a Chairperson who shall chair all meetings of the relevant committee, which that person attends. In the absence of the Chairperson, the committee may elect another Chairperson from their committee.
- 11.2. The committees shall meet at least once in 3 (THREE) months, or at such other time determined by the MT MANAGEMENT COMMITTEE. However, the Chairperson of a committee, or the Chairperson of the MT MANAGEMENT COMMITTEE may, at any time, convene a meeting of the relevant committees.

- 11.3.** A quorum for the meetings of these committees shall be at least **50% (fifty percent)** of the elected committee members of such a committee.
- 11.4.** Any member that does not attend **3 (THREE) committee meetings**, without acceptable apology or alternate, may be asked to resign from that committee, and shall be obliged to do so.
- 11.5.** Members of these committees shall have 1 (ONE) vote each for the purposes of electing a Chairperson and Vice-Chairperson only. All other matters will be decided on by full consensus of the quorum present at such a meeting
- 11.6.** Proper attendance registers shall be kept and accurate minutes shall be taken of the proceedings of all meetings of these committees. The minutes shall be signed by the Chairperson or such other member as chairs a meeting, and shall be available at all times for inspection or copying by any member of these committees, and on 2 (TWO) days notice to the MT REGISTERED OFFICE by any member of MT.
- 11.7.** These committees may delegate any of their powers and prerogatives to a MT MANAGEMENT COMMITTEE member, in writing, or to a special purpose committee or organisation, as it may deem appropriate from time to time. The member, committee or organisation to which such delegation is made shall, in the exercise of such person's or its functions conform to any regulations and any procedures that may be stipulated by these committees from time to time.
- 11.8.** **New MT MANAGEMENT COMMITTEE members to be assisted by outgoing members, to ensure :**
- **a proper handover of tasks takes place, at the first meeting after the A.G.M.**
 - **Outgoing members ensure that their responsibilities are 'up to date' up to the month of June of each year.**
 - **New MT MANAGEMENT COMMITTEE responsible for setting-up/arranging and attending the Strategic Planning Workshop – in preparation of forthcoming twelve month period.**
 - **All MT MANAGEMENT COMMITTEE members to attend at least 75% (seventy five percent) of all meetings.**

12. POWERS AND AUTHORITIES

The MT MANAGEMENT COMMITTEE shall have all such powers and authorities, as it may deem necessary to effectively administer MTA and promote its objectives and purposes.

13. GENERAL MEETINGS

- 13.1.** An annual General Meeting (AGM) of MT shall be held within a period of 12 (TWELVE) months from the adoption of THIS CONSTITUTION, and subsequent Annual General Meetings shall be held within 7 (SEVEN) months after the end of each financial year; subject to the condition that no less than 21 (TWENTY ONE) days written notice of such meeting shall be given to all members entitled to attend the AGM.
- 13.2.** The Chairperson shall convene the Annual General meeting.
- 13.3.** The business of an Annual General Meeting shall include, inter alia;
- 13.3.1.** The presentation and adoption of the Annual Report of the Chairman;
 - 13.3.2.** The consideration of the Annual Financial Statements;
 - 13.3.3.** Such other matters as may be considered appropriate.
- 13.4.** Other General Meetings of MT may be convened at any time at the request of:
- 13.4.1.** The MT MANAGEMENT COMMITTEE;
 - 13.4.2.** The Chairperson;
 - 13.4.3.** Any member supported by 5% (five percent) of the membership;
- 13.5.** Any General Meeting other than the Annual General Meeting shall be convened with no less than 14 (FOURTEEN) days prior written notice to all members entitled to attend such General Meetings; such notice to state in broad terms the business to be transacted at the meeting; provided that should the Chairperson, having been requested to give such notice, fails to give such within 21 (TWENTY ONE) days of the request, the persons requesting the meeting shall be entitled themselves to give notice of and to convene the meeting.

13.6. RESOLUTIONS AND VOTING

At all General Meetings, a Resolution put to vote shall be decided only by a poll. A poll shall be taken as directed by the Chairperson, and the result of the poll shall be the Resolution of the meeting.

Each MEMBER with voting rights present or represented at such meeting shall be entitled to 1 (ONE) vote. Such MEMBER shall be in good standing,

and have paid the most recent annual subscriptions. The Chairperson shall be entitled to a second or casting vote in the event of an equality of votes.

13.7. QUORUM AND PROXY VOTES

15% (FIFTEEN PERCENT) of the voting MEMBERS shall constitute a quorum at a General Meeting of MT. Such a quorum may also be constituted by way of proxy votes cast on behalf of voting MEMBERS and will be included in the calculation of the poll, providing that such proxy votes are notified and registered prior to the said meeting. Proxy votes may be used as prescribed by the MT MANAGEMENT COMMITTEE from time to time.

13.8. POWERS

A duly convened General Meeting of MT, at which a quorum is present, shall be competent to carry out all the objectives of MT, as set out above, and to exercise all or any of the powers, authorities and discretion of MT.

14. NOTICES

Notice of Meetings and any other notice shall be sent by email to members via their most recently noted e-mail address, or in such manner as the MT MANAGEMENT COMMITTEE deems expedient.

- 14.1.** The inadvertent omission to address notice/s to any person shall not invalidate the proceedings of any meeting.
- 14.2.** If sent by email, shall be deemed to have been received 24 (TWENTY FOUR) hours after sending.
- 14.3.** Notices of all types of meetings are to be issued in accordance with Article 13.1 and 13.5.

15. MT BOOKS OF ACCOUNT AND ANNUAL FINANCIAL STATEMENTS

- 15.1.** The MT's financial year shall end on the last day of December.
- 15.2.** The MT MANAGEMENT COMMITTEE shall ensure that proper books of account are regularly kept. Financial Statements shall be prepared at least once a year, in accordance with generally accepted accounting principles and practice, and shall reflect clearly the affairs of MT and all its divisions, affiliated associations and chapters. The books of account and Financial

Statements shall be audited and certified in the customary manner by the auditors of MCCI.

16. SIGNATURES

16.1. The MT MANAGEMENT COMMITTEE will also appoint one member of the MT MANAGEMENT COMMITTEE as Treasurer. The Treasurer, and either the Chairman or Vice-Chairman shall sign all cheques, promissory notes and other documents requiring signature on behalf of MT.

17. MT FUNDS

17.1. The initial funds of MT shall be the amount/s standing to its credit in its bank account/s at the date of the adoption of the CONSTITUTION.

17.2. MT FUNDS may be increased by:

17.2.1. Accrued and undistributed income;

17.2.2. Further amounts of assets as may from time to time become payable or transferable to MT by way of donation or sponsorship by any person wishing to benefit MT.

17.3. No further documentation shall be required to vest MT with any such donations/sponsorships. The payment, transfer, or cession thereof to MT or its nominees shall be sufficient to vest these donations/sponsorships in MT for the purposes and subject to the conditions set out in this CONSTITUTION.

18. AMENDMENTS TO CONSTITUTION AND DISSOLUTION

The terms of THIS CONSTITUTION may be amended, the name may be changed and the MT may be dissolved by decision taken by the voting MEMBERS, following due process at a General Meeting, provided that written notice of the proposed resolution is given not less than 21 (TWENTY ONE) days prior to the date of the General Meeting; and such notice states the nature of the resolution to be proposed. Any such resolution shall be deemed to have been adopted only if it is supported by no less than 4/5ths (FOUR FIFTHS) of THE MEMBERS present at the meeting, being not less than the minimum number necessary to constitute a quorum.

19. INDEMNITY

Subject to the provision of any relevant clause, each member of the MT MANAGEMENT COMMITTEE, and all other office bearers shall be indemnified by

the MT for all acts executed by them in good faith on the MT's behalf. It shall be the duty of MT to pay all costs and expenses, which any such person may incur or become liable for by reason of any contract entered into, or act or deed done by such person, in their said capacity, in the bona fide discharge of their duties on behalf of MT.

Subject to the provisions of any relevant clause, no member of the MT MANAGEMENT COMMITTEE, or other office bearer of MT, shall be liable for the acts, receipts, neglects or defaults of any other member or office bearer, or for having joined in any receipt or other act for conformity, or for any loss or expense suffered by MT through the insufficiency or deficiency or title to any property acquired by MT; or for the insufficiency or deficiency of any security in or upon which the monies of MT shall be invested; or for any loss or damage arising from bankruptcy, insolvency or delictual act of any person with whom any monies, securities, or effects are deposited or for any loss or damage otherwise occasioned, which may occur in the execution of the duties of such person's office or in relation thereto, unless it arises in consequence of dishonesty, or failure to exercise a reasonable degree of care, diligence and skill required by law.

20. DISCRETION

Where discretion is vested in the MT MANAGEMENT COMMITTEE and/or MT in terms of THIS CONSTITUTION, such discretion shall be complete and absolute, and any decision made by it pursuant to its discretionary power shall not be changeable by any person affected thereby; provided that the MT MANAGEMENT COMMITTEE shall at all times be obliged to conform to the stated objectives of MT, and generally to comply with the terms and conditions of THIS CONSTITUTION.

21. AFFILIATION

Local Affiliation

The MT MANAGEMENT COMMITTEE will consider the affiliation of MT to any local association or body with similar objectives for the benefit of MT members,

The MT MANAGEMENT COMMITTEE will consider the affiliation of MT to any International association or body with similar objectives for the benefit of MT members

THEREBY CERTIFYING THAT THE AFOREMENTIONED IS THE DULY AMENDED CONSTITUTION OF THE MIDRAND TOURISM (MT), SO ADOPTED AT THE ANNUAL GENERAL MEETING HELD ON THE 5TH MARCH 2010 in MIDRAND.

SIGNED:

CHAIRMAN : -----

WITNESS _____