

**REPUBLIC OF SOUTH AFRICA
COMPANIES ACT, 1973**

**ARTICLES OF ASSOCIATION
OF A COMPANY NOT HAVING A SHARE CAPITAL**

(Section 60(1): Regulation 18)

Registration Number of Company
1981/0011981/08

Name of Company: **THE INSTITUTE OF ACCOUNTING AND COMMERCE**
(formerly the Institute of Administration and Commerce) (Association incorporated
under Section 21)

- A. Articles of Table A contained in Schedule 1 to the Companies Act, 1973, shall not apply to the Company.
- B. The Articles of the Company are as follows:

DEFINITIONS AND CONSTRUCTION

- 1. In these presents the words standing in the first column of the Table hereunder shall bear the meaning set opposite to them respectively in the second column hereunder, if not inconsistent with the subject or context:

WORDS

MEANING

The Board

The Board of Directors, including Foreign Directors, for the time being, functioning in accordance with the Statutes and these Presents.

Foreign Committee	A committee of citizens of a foreign country, appointed and functioning in accordance with Article 30.
The Institute	The abovenamed Company.
In writing	Written, typed, printed or lithographed, or partly one and partly another, and other modes of representing or reproducing words in visible form including digitised e-mail.
Month	Calendar month.
Office	The registered office of the Institute.
Plenary	The body provided for in Article 29.
These Presents	The Articles of Association and the By-laws of the Institute from time to time in force.
The Statutes	The Companies Act 61 of 1973, and every other Act in the Republic of South Africa, for the time being in force affecting the Institute.
Regional Association	A body of members with registered addresses within a geographic area demarcated by the Board.

Words importing the singular number only shall include the plural number and *vice versa*.

Words importing the male gender only shall include the female gender; and words importing persons shall include associations, juristic persons and similar corporate entities.

Subject as aforesaid, any words or expressions defined in the Statutes shall, if not consistent with the subject or context, bear the same meaning in these presents.

MEMBERS

2. The Institute consists of an unlimited number of members.
3. The members of the Institute shall be the present members and such other persons whether citizens of South Africa or otherwise, as shall be admitted to membership, upon the terms and conditions contained in these presents and in the By-laws of the Institute.
4. There shall be differing grades of membership as determined by the Board from time-to-time, as defined in the By-laws.
5. Any person who is or was involved in Accounting, Bookkeeping, Financial Management and similar functions, may apply for membership of the Institute upon the terms and conditions contained in these presents.
6. The entrance fee and subscriptions payable by the members shall from time to time be fixed by the Board and shall be payable in advance on 1 January in each year, provided that, if a person becomes a member after 30 June in any year, only a half year's subscription shall be payable in that year.

MEMBERSHIP

7. (1) The Institute shall at its registered office maintain a register of its members as provided for in section 105 of the Companies Act 61 of 1973. The register of members shall be open during business hours to inspection by any member.
- (2) The register referred to in sub-article (1) shall contain:
- (a) The membership number of the member concerned;
 - (b) the full names and address of the member;
 - (c) the membership status of the member; and
 - (d) the date when membership was conferred.
- (3) Should a member for any reason cease to be a member, the entry in respect of him or her shall be deleted from the register.

MEMBERSHIP CERTIFICATE

8. A membership certificate in a form to be prescribed by the Board shall be issued to each member of the Institute declaring his or her status. If a person resigns as a member or is removed from the roll of members for reasons found in these presents, he or she shall return the membership certificate to the Institute forthwith.

HONORARY LIFE FELLOWS

- 9.** Notwithstanding any provisions contained in Article 3, the Board may elect to Honorary Life Fellowship of the Institute any person, whether a citizen of South Africa or otherwise, who, by virtue of his or her eminence in accounting, administration, law, commerce, industry or public affairs shall be deemed by the Board a fit and proper person to hold such honour.

GENERAL MEETINGS

- 10.** An Annual General Meeting of members shall be held once in every year, at such time and place as may be determined by the Board, provided that no more than fifteen months shall elapse between the holding of one Annual General Meeting and that of the next General Meeting.
- 11.** The Board may call a General Meeting whenever it thinks fit and shall call a General Meeting whenever a requisition in writing, requesting such a Meeting, signed by not less than one-tenth of the number of the members of the Institute or by not less than 100 members when the membership exceeds 1 000, and stating fully the objects of the proposed General Meeting, shall be deposited at the Office of the Institute. Such requisition may consist of several documents in like form, each signed by one or more requisitionist.
- 12.** If the Board within fourteen (14) days after the deposit of any such requisition, does not issue a notice convening a meeting in accordance with the requisition, for a day not more than twenty-one (21) days after the deposit of such requisition, the requisitionists or a majority of them may themselves convene a General Meeting for the business described in the requisition, to be held at such time within three (3) months of the date of such deposit and at such place as they think fit.
- 13.** If at any such General Meeting a resolution requiring confirmation at a subsequent meeting is passed the Board shall forthwith convene a further General

Meeting for the purpose of considering the resolution, and if thought fit, of confirming it as a Special Resolution, and if the Board does not convene such further meeting within seven (7) days of the date of the passing of the first resolution, the requisitionists or a majority of them may themselves convene the second General Meeting.

14. At least seven (7) days' notice, specifying the place, date and hour of the General Meeting, and, in the case of special business the general nature of such business, shall be given in the manner that members of the Institute are, under the provisions of these presents, entitled to receive notice from the Institute. But the accidental omission of such notice to, or the non-receipt of such notice by, any member or members shall not invalidate any resolution passed, or the proceedings at any such Meeting.

PROCEEDINGS AT GENERAL MEETINGS

15. All business shall be deemed special that is transacted at General Meetings, and all business that is transacted at an Annual General Meeting shall also be deemed special with the exception of the election of members of the Board and of an auditor or auditors and for receiving and adopting the annual financial statements with the auditor's report thereon and the report of the Board on the past year's activities.
16. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be five (5) members personally present.
17. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if that Meeting is convened on the requisition of the members as provided for in Article 11, such Meeting shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week at the same hour and place or at such other place as the President shall

appoint: and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum.

18. The President may, with the consent of any meeting at which a quorum is present, adjourn the meeting from time to time and from place to place, as the meeting shall determine. Wherever a meeting is adjourned for ten (10) days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the members shall not be entitled to any notice of an adjournment, or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business, which might have been transacted at the meeting from which the adjournment took place.
19. At every General Meeting the President of the Institute shall preside. If at any meeting he is not present within fifteen minutes after the time appointed for holding the Meeting, or is unwilling to preside, the members present shall choose a Director to be Chairman. If no Director is present or if all the Directors present decline to take the Chair, the members present shall choose one of their number to be Chairman for that meeting. A Director or member elected to take the Chair in the absence of the Chairman or his or her unwillingness to preside, shall have and exercise the powers of the President in terms of these Presents, until the termination of such meeting.

VOTING AT GENERAL MEETINGS

20. At all General Meetings a resolution which is put to the vote shall be decided on a show of hands by a majority of the members present in person and entitled to vote including proxy votes held by such persons present, unless before or upon the declaration of the result of the vote a poll is demanded by the President or by at least five members present in person and entitled to vote, and unless a poll of members is so demanded, a declaration by the President of the meeting giving the

result of the voting shall be conclusive, and an entry to that effect in the Minute Book of the Institute shall be conclusive evidence thereof without proof of the number or proportions of the votes recorded in favour of or against such resolution.

21. If a poll of members is demanded as contemplated in Article 20, it shall be undertaken within the twenty-eight (28) days next following, and in such manner as the President shall direct and the result of the poll shall be deemed to be a resolution of the Meeting at which the poll was demanded, on the matter concerned.
22. No poll shall be demanded on the election of a Chairman of a Meeting in terms of Article 19 or on any question of adjournment.
23. In the case of an equality of votes, either on a show of hands or at a poll, the President shall be entitled to a second or casting vote. Should the President decline to exercise his or her casting vote, the matter shall fall away.
24. The demand for a poll of members on one matter shall not prevent the continuation of a meeting for the transaction of any other business.

VOTES OF MEMBERS

25. Only members of the Institute with voting rights as conferred by a By-law shall be entitled to vote at General Meetings of the Institute, and each such member shall have one vote and no more.
26. Votes may be given either personally or by proxy. On a show of hands, a member present may also declare the proxies given to him or her and may vote those proxies in accordance with the instructions of the givers thereof.

27. The instrument appointing a proxy shall be in writing under the hand of the mandator, and shall be deposited at the office of the Institute at least twenty-four (24) hours before the time appointed for the holding of a General Meeting at which the person named in such instrument proposes to vote, otherwise the person so named shall not be entitled to vote in respect thereof. No person shall act as proxy unless he is entitled on his own behalf to be present and vote at the meeting at which he proposes to act as proxy, and is not so present.
28. A vote given in accordance with the terms of an instrument of proxy shall become invalid upon the death of the giver thereof or the revocation in writing of such proxy by the giver, on the date and at the time it is received at the Office prior to four (4) hours before the time fixed for the holding of the General Meeting in respect of which it was given.

PLENARY

29. (1) The Plenary shall as provided for herein be a convocation of the members of the Institute, both South African and foreign which shall be called the Plenary.
- (2) The purpose of a Plenary is to bring together all the members of the Institute to debate the future progress of the Institute, matters pertaining to the disciplines found within the Institute and generally to find ways of promoting the interests of the Institute.
- (3) A Plenary, subject to sub-article (6), shall take place every three (3) years calculated from the time two or more foreign committees are established and shall, if at all possible, be combined with a conference either organised by the Board or a conference organised by another body which consents to the Plenary being held in conjunction with its conference.

- (4) The venue for each Plenary shall be decided by the Board with due respect to the need to promoting the expansion of the Institute.
- (5) A decision taken at a Plenary shall not be binding on the Institute until endorsed by a vote of the Board that such decision shall be so binding.
- (6) The provisions of this Article shall come into operation on a date to be fixed by the Board.

FOREIGN COMMITTEES

- 30.**
- (1) The Board may from time to time appoint members who are citizens of or residents in a foreign country to be a foreign committee for the Institute in that country with such powers and duties as the Board may in a By-law from time to time decide.
 - (2) The Board may from time to time establish committees of members in foreign countries, close them at any time and may appoint and remove agents for any purposes in any foreign country.
 - (3) The members of a foreign committee shall nominate one of their number to attend Board meetings and upon such nomination being made that member shall *ipso facto* become a foreign Director of the Institute for so long as the committee which nominated him or her may decide.
 - (4) In respect of any foreign country where the Institute has a committee and/or an agent, the Board may, in accordance with the national law of that country, offer tertiary examinations or training in terms of curricula and syllabi developed by the Board in collaboration with the foreign committee concerned.

- (5) Any dispute between a foreign committee or agent and the Institute, shall be settled by a court of competent jurisdiction in the Republic of South Africa and in accordance with South African law and all foreign committees shall sign binding contracts with the Institute to give effect to this sub-article.

BOARD OF DIRECTORS

MEMBERSHIP

- 31.** There shall be a Board of Directors, the number of South African members of which shall not exceed ten (10) and the number of foreign members of which shall not exceed six (6). The ten (10) South African members shall consist of five (5) representatives of regional associations and five (5) Directors elected by the members. Until five (5) regional associations are established in terms of Article 34(1) the existing centre representatives shall be deemed to be representatives of such associations.
- 32.** The Board may from time to time fill a vacancy in its membership by appointing any member, as a member of the Board: Provided that the prescribed maximum number of South African and foreign members shall not be exceeded: Provided further that at no time shall the appointed number of members on the Board exceed four (4) in number. Any member so appointed shall retain his or her office only until the next ensuing Annual General Meeting, but shall then be eligible for re-election without nomination.
- 33.** No person who is not a Fellow or member of the Institute shall be eligible to hold office as a member of the Board.

- 34.** (1) Each Regional Association and foreign committee recognised by the Board shall be represented thereon by one (1) elected member: Provided that at least five (5) of the ten (10) seats on the Board referred to in Article 31 shall be filled by members elected at a General Meeting.
- (2) The Board shall demarcate the national territory into five (5) regions and as circumstances allow, establish a regional association for each such region.

POWERS OF THE BOARD

- 35.** The object for which the Institute is established and the business thereof shall be carried into effect and managed by the Board which, on behalf of the Institute, may exercise all such powers and do or perform all such acts or things as may be exercised, performed and done by the Institute, and as are not by the Statutes or by these presents required to be exercised or done by the Institute in General Meeting, subject to the provisions of the Statutes.
- 36.** Without derogating from the general powers conferred upon the Board by these presents, such Board is entrusted with the following powers:
- (a) To purchase or otherwise acquire on behalf of the Institute any movable or immovable property, rights or privileges which the Institute is authorised to acquire at such price and on such terms and conditions as it thinks fit.
- (b) To sell, purchase, exchange, dispose of, let and otherwise deal with the whole or any part of the Institute's property, movable and immovable, upon such terms and conditions as it thinks fit.
- (c) To appoint (and at its discretion to remove or dismiss), any Chief Executive Officer, Secretary, staff, as also any consultant, examiner or lecturer for permanent, temporary or special service as it may from time to

time think fit and to determine their respective duties and fix their respective emoluments and/or allowances, either by way of salary, commission or other remuneration, or by any or all of these as it may think fit, and to require security in such instances and to such amount as it thinks fit.

- (d) To borrow and raise money and to execute in the name of the Institute any mortgages, debentures, pledges or other securities founded or based upon any or all the property of the Institute.
- (e) To institute and defend actions in the name of the Institute, to submit matters for arbitration, to enter into any composition or to defend in any criminal or civil proceedings any employee who has acted *bona fide* for or on behalf of the Institute.
- (f) To delegate, with or without conditions, all or any of their powers to any employee or any committee and to appoint attorneys and agents to represent the Institute.
- (g) To invest and deal with any of the moneys of the Institute in securities and in such manner as it thinks fit and from time to time to vary or realise such investments.
- (h) To make and give receipts, releases and other discharges for debts payable to the Institute, as well as to settle all claims and demands for and against the Institute.
- (i) To draw, accept, endorse, make and execute bills or exchange, promissory notes and other negotiable instruments for and on behalf of the Institute.

- (j) To enter into negotiations for contracts, to enter into contracts, to rescind and vary such contracts and to execute and do all such deeds, acts and things in the name and on behalf of the Institute as it may consider expedient for and in relation to any of the matters aforesaid, or these presents.
- (k) To exercise in relation to any member or members, all or any of the disciplinary powers accorded to the Institute in the Memorandum of Association and to implement and carry out all necessary disciplinary proceedings and take all disciplinary steps in accordance with the provisions of any or all such rules and/or By-laws relating thereto and in force from time to time pursuant to, and in terms of this Memorandum and these Articles.
- (l) To make awards, confer honours or to give prizes for the purpose of promoting the growth and interests generally of the Institute.

37. The members of the Board in office at the time these amended Articles are adopted at an Annual General Meeting shall vacate such office at the time that members of the Board are elected at the aforesaid Annual General Meeting. The members of the Board so elected shall constitute the Board under these Articles notwithstanding that at that time there shall be no foreign directors.

OFFICE BEARERS

- 38.** (1) There shall be the following office-bearers for the Institute:
- (a) The President;
 - (b) The Vice-President;
 - (c) The Immediate Past President.

- (2) The President and Vice-President shall be elected by the Board from among their members after each Annual General Meeting.
- (3) The Immediate Past President shall be an *ex officio* member of the Board until the President then in office becomes the Immediate Past President.

ROTATION OF MEMBERS OF THE BOARD

39. At each Annual General Meeting one (1) of the five (5) elected directors referred to in Article 31 shall retire from office but be eligible for re-election. The order in which such directors shall retire from office shall be determined by lot under the aegis of the President after the first Annual General Meeting at which the one elected shall be the first director to retire, the second to retire second, and so on.

DISQUALIFICATION OF MEMBERS OF THE BOARD

- 40.** The office of a member of the Board shall be vacated:
- (a) If he or she is declared insolvent or assigns his or her estate or makes any arrangement or composition with his or her creditors.
 - (b) If he or she is declared mentally disordered or becomes of unsound mind or is placed under curatorship.
 - (c) If such member ceases to be a member of the Institute.
 - (d) If by notice in writing to the Chief Executive Officer of the Institute a member resigns from office.
 - (e) If he or she is convicted of an offence, which, in the opinion of the Board is of such a nature as to render that person unfit and undesirable to remain a member of the Board.

- (f) If he or she is absent from three consecutive meetings of the Board without leave of absence having been granted by or obtained from the Board.
- (g) If he or she is requested by the Board in writing to resign as a director.

THE SEAL

- 41. The seal of the Institute shall be affixed to all academic and membership certificates issued by the Institute to appropriately qualified students in South Africa and foreign countries and persons approved as members. Certificates shall be signed by the President and Chief Executive Officer and shall be sequentially numbered and recorded in the Member's Register.

MAKING AND VARYING OF BY-LAWS

- 42. The Board may from time to time make, vary and repeal By-laws for the regulation of these Presents and the business of the Institute and its employees: Provided that no By-law shall be made which would amount to an addition to or alteration of these Articles as could legally be made only by a resolution to be taken at a General Meeting.
- 43. No person, not being a member of the Board retiring at the Annual General Meeting shall, be eligible for membership of the Board unless not less than one (1) month before the day appointed for the Annual General Meeting, there shall be given to the Secretary notice in writing, by two members duly qualified to be present and vote at the meeting for which such notice is given, or their intention to propose and second such person for election, and also notice in writing, signed by the person to be proposed, of his willingness to be elected. No such nomination shall be valid if the member nominated is under any pecuniary liability to the Institute.

44. If at any meeting at which an election of members of the Board ought to take place, the places of the retiring members or some of them, are not filled up, the retiring members or such of them as have not had their places filled up and are willing to act, shall be deemed to have been re-elected: Provided that the maximum consecutive term of office on the Board shall be eight (8) years after which a member may not make himself or herself available for re-election for a period of at least one year.
45. Every member of the Institute shall be entitled to a copy of any By-laws made, and on his or her admission as a member he or she shall be deemed to have made himself or herself fully acquainted therewith and to acknowledge himself or herself to be bound thereby.

PROCEEDINGS OF THE BOARD

46. The board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined by the Board, three (3) shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the President or any member acting in his or her stead in his or her absence, shall have a second or casting vote.
47. Board Meetings shall at any time be called by the Chief Executive Officer at the request of the President or of three (3) members of the Board by giving at least fourteen (14) days notice to the members of the Board.
48. The President of the Institute shall preside at all meetings of the Board at which he shall be present, but if at any meeting the President be not presented within five minutes after the time appointed for holding a meeting, the members of the Board present shall choose someone of their number to be the Chairman of that meeting.

49. A meeting of the members of the Board for the time being at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under these Articles.
50. The Board may delegate any of its powers to committees consisting of such member or members of the Board as it thinks fit, and any committee so formed shall have the power to add to their number any member or members of the Institute as shall be deemed expedient, and all such committees shall comply with any conditions imposed by the Board. The meetings and proceedings of any such committees shall be governed by the provisions of these presents for regulating the meetings and proceedings of the Board so far as they are applicable and so far as these shall not be superseded by any By-law made by the Board as aforesaid.
51. All acts *bona fide* done by any meeting of the Board or of any committee of the Board, or by any person acting as a member of the Board, shall notwithstanding it be afterwards discovered that there was some defect in the appointment of any such member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a member of the Board.
52. The Board shall cause proper minutes to be made of the proceedings of all meetings of the Institute and of the Board and of committees of the Board and all business transacted at such meetings, and any such minute of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence without any further proof of the facts therein stated. Any Member may inspect and make copies of any minute referred to above. All minutes shall be in the custody of the Chief Executive Officer.

- 53.** A resolution in writing signed by all the members for the time being of the Board or any committee of the Board shall be valid as if it had been passed at a meeting of the Board or of such committee and shall be recorded in the Minute Book at the next ensuing meeting.

ACCOUNTS

- 54.** The Board shall cause true accounts to be kept of all sums of money received and expended by the Institute and the matters in respect of which such receipts and expenditure take place, and of the assets, credits and liabilities of the Institute, and shall cause a banking account to be kept, with such bank as it from time to time may decide upon, and all sums of money shall daily, or as soon as may be possible, be banked to the credit of such account.

The books of account shall be kept at the Head Office of the Institute in South Africa and in respect of regions and foreign committees, at such places as the Board may determine.

- 55.** Once at least in every year the Board shall lay before the Institute at the Annual General Meeting a statement of the income and expenditure for the past year made up to 31 December. A balance sheet shall be made out in every year and laid before the Institute at the Annual General Meeting. Every such balance sheet shall be accompanied by a report of the Board as to the affairs of the Institute generally, and a printed copy of such statement, balance sheet and report shall twenty-one (21) days before the meeting be posted to members to whom notices of the Annual General Meeting are sent.

AUDIT

- 56.** Once at least in every year the accounts of the Institute shall be examined and the correctness of the income statement and balance sheet ascertained by a properly qualified auditor.

- 57.** The provisions of the sections of the Companies Act, No 61 of 1973, in regard to audit and auditors, shall apply in the same manner as if such sections were applicable to the Institute, the members of the Board being the Directors and the members being the shareholders mentioned in those sections.

NOTICES

- 58.** A notice may be served by the Institute in writing upon any member, either personally or by sending it by e-mail or through the post in a prepaid letter, addressed to such member at his or her registered address for mail or e-mail as recorded in the Membership Register. The onus is on members to ensure that the Institute has their correct postal and e-mail address.
- 59.** Any notice, if served by post, shall if sent by mail be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter, or if sent by e-mail on the day and at the time the e-mail is sent.
- 60.** Where a given number of days' notice or notice extending over any other period is required to be given, the day of service shall be counted in such number of days or other period.

MEMORANDUM

- 61.** The Institute may alter its Memorandum of Association in any manner authorised by the Statutes.