

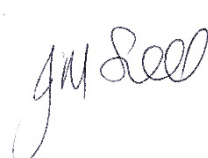
MEMORANDUM OF INCORPORATION

("Memorandum")

THE INSTITUTE OF COMMERCIAL FORENSIC PRACTITIONERS NPC (Registration number: **2010/022677/08**) is a non-profit company with members, with the objects referred to in article 1.3, and is referred to in the rest of this Memorandum of Incorporation as "**the Institute**".

Adoption of Memorandum of Incorporation

This Memorandum was adopted by a special resolution of members in terms of section 16(1) (c) read with 16(5)(a) of the Companies Act 71 of 2008 ("**Act**"), as evidenced by the signature of Adv Janita Snell , being duly authorised by the members of the Institute to sign this substituting Memorandum in terms of the aforesaid special resolution on their behalf.

NAME AND ADDRESS	IDENTITY OR REGISTRATION NUMBER	SIGNATURE	DATE
Janita Melanie Snell, 9 Matroos berg avenue, Bosmont, 2093	6507140099085		17 July 2025

1. Incorporation and Nature of the Institute

1.1. Interpretation

In this Memorandum–

- 1.1.1. a reference to a section by number refers to the corresponding section of the Act;
- 1.1.2. a reference to a regulation by number refers to the corresponding regulation made under the Act, as amended from time to time;
- 1.1.3. the words and phrases used in this Memorandum shall bear the same meaning as the corresponding words and phrases used and defined in the Act, unless otherwise defined herein or unless the context of this Memorandum requires a different interpretation.

1.2. Incorporation

- 1.2.1. The Institute is incorporated as from **15 November 2010** as a not for profit company, as defined in the Act.
- 1.2.2. The Institute is incorporated in accordance with and governed by -
 - 1.2.2.1. the unalterable provisions of the Act that are applicable to not for profit companies; and
 - 1.2.2.2. the alterable provisions of the Act subject to the limitations, extensions, variations or substitutions set out in this Memorandum; and
 - 1.2.2.3. the provisions of this Memorandum.

1.3. Objectives and Powers of the Institute

- 1.3.1. The objectives of the Institute are
 - 1.3.1.1. to create and develop a properly regulated profession of commercial forensic practitioners in South Africa.
 - 1.3.1.2. to ensure proper representation of key industry role players in the development and regulation of the industry.
 - 1.3.1.3. to develop career paths for members of the Institute through the accreditation of specified designations.
 - 1.3.1.4. to encourage members to continually enhance their capabilities through a specified training path developed specifically to cater for each forensic field.
 - 1.3.1.5. to promote professional excellence through the formulation of forensic standards of practice.

- 1.3.1.6. to formulate a Code of Ethics to which members shall adhere.
- 1.3.1.7. to monitor adherence to standards of practice and the Code of Ethics, and take disciplinary action when warranted.
- 1.3.1.8. to promote the profile of the Institute to the commercial forensic industry and public.
- 1.3.1.9. to promote the identified designations within the Institute to the forensic industry and public.
- 1.3.1.10. to finance the operations of the Institute by engaging in any lawful activity which may generate funding for the Institute including the charging and collection of membership fees and obtaining sponsorships and donations.
- 1.3.1.11. to cooperate with existing role players in the commercial forensic industry, in an effort to promote the commercial forensic practitioner profession and brand.
- 1.3.2. The powers of the Institute are:
 - 1.3.2.1. to purchase or acquire in any way stock-in-trade, plant, machinery, land, buildings, agencies, shares, debentures and every other kind or description of movable and immovable property.
 - 1.3.2.2. to manage, insure, sell, lease, mortgage, dispose of, give in exchange, work, develop, build on, improve, turn to account or in any way otherwise deal with its undertaking or all or any part of its property and assets.
 - 1.3.2.3. to apply for, purchase, or by any means acquire, protect, prolong, and renew any patents, patent rights, licenses, trade-marks, concessions or other rights and to deal with and alienate them as provided in clause 1.3.2.2.
 - 1.3.2.4. to borrow money.
 - 1.3.2.5. to secure the payment of moneys borrowed in any manner including the mortgaging and pledging of property and, without detracting from the generality thereof, in particular by the issue of any kind of debenture or debenture stock, with or without security.
 - 1.3.2.6. to invest money in any manner.
 - 1.3.2.7. to open and operate banking accounts and to overdraw such accounts.
 - 1.3.2.8. to make, draw, issue, execute, accept, endorse and discount promissory notes, bills of exchange and any other kind of negotiable or transferable instruments.
 - 1.3.2.9. to enter into contacts outside the Republic and to execute any contracts, deeds, and documents in any foreign country.

- 1.3.2.10. to remunerate any person or persons in cash for services rendered in its formation or in the development of its business.
- 1.3.2.11. to pay gratuities and pensions and establish pension schemes in respect of its officers and employees.
- 1.3.3. Except to the extent necessarily implied by the stated objects, the purposes and powers of the Company -
 - 1.3.3.1. are not subject to any provisions contemplated in section 15 (2)(b) or (c);
 - 1.3.3.2. are not subject to any restrictions, limitations or qualifications, as contemplated in section 19 (1) (b) (ii).
- 1.3.4. Upon dissolution of the Company, its net assets must be distributed in the manner determined in accordance with -
 - 1.3.4.1. Item 1(4)(b) of Schedule 1 of the Act; and
 - 1.3.4.2. the provisions, if any, set out this Memorandum.

1.4. Memorandum of Incorporation and Institute rules

- 1.4.1. This Memorandum of the Institute may be altered or amended in the manner set out in section 16, 17 or 152 (6)(b) and as set out in article 1.4.3.2 hereunder to the extent referred to in article 1.4.3.2.
- 1.4.2. The Board has the authority to make, amend, repeal any necessary or incidental rules relating to the governance of the Institute in respect of matters that are not addressed in the Act or this Memorandum and otherwise as contemplated and in accordance with section 15 (3) to (5) of the Act, which authority is not limited or restricted in any manner by this Memorandum.
- 1.4.3. The Board must publish any rules made in terms of section 15 (3) to (5), and/or any amendment thereof, in accordance with the following requirements:
 - 1.4.3.1. A copy of the relevant rules must be delivered to each member by electronic communication or registered mail or, if the Institute has a website, by publishing the relevant rules on the Institute's website.
 - 1.4.3.2. If the Memorandum or rules are altered in accordance with section 17(1) in order to correct a patent error in spelling, punctuation, reference, grammar or similar defect on the face of the document, then the Institute must publish a notice of alteration of the Memorandum or the rules by delivering a copy of the relevant alterations to each member by electronic communication or registered mail or, if the Institute has a website, by publishing the relevant alterations on the Institute's website.

1.5. **Application of optional provisions of Act**

The Institute does not elect, in terms of section 34 (2), to comply voluntarily with the provisions of Chapter 3 of the Act.

2. **Members and Membership of the Institute**

The Institute will only have individual members and no corporate members will be allowed.

The members of the Institute are divided into two classes, being voting (members who hold full membership and honorary membership) and non-voting members (members who hold associate membership), respectively.

2.1. **Terms and conditions of membership of the Institute**

2.1.1. **Qualifications for membership**

2.1.1.1. **Full membership -**

2.1.1.1.1. Any fit and proper person who applies will qualify as a full member on the following grounds:

2.1.1.1.1.1. in terms of a pre-approved grandfather period which expired on 31 March 2011;

2.1.1.1.1.2. proof of having passed a pre-approved qualifying examination, as determined by the Board, with at least 3 years' relevant commercial forensic experience; or

2.1.1.1.1.3. proof of any relevant degree, diploma or other qualification having a rating of at least NQF 7, with at least 10 years relevant commercial forensic experience; or

2.1.1.1.1.4. proof of a senior certificate with at least 15 years relevant commercial forensic experience.

2.1.1.1.1.5. With effect from 1 January 2023 the minimum requirement for full membership is amended as follows:

2.1.1.1.1.5.1. proof of having passed a pre-approved Board examination, as determined by the Board, with at least 3 years of relevant commercial forensic experience.

2.2. A full member shall be entitled to all the rights and privileges of membership, including the right to vote or to be elected to the Board or to call a special general meeting of the Institute. Every full member has one vote and all votes carry an equal weight.

2.2.1.1. **Associate Membership**

2.2.1.1.1. Any fit and proper person who has a relevant degree, diploma or other qualification having a rating of at least NQF 5, but not the required experience to become a full

member, and is busy obtaining experience in the commercial forensics field, may apply for and be awarded associate membership.

2.2.1.1.2. An associate member shall have all the rights and privileges of a full member, except the right to vote or to be elected to the Board or to call a special general meeting.

2.2.1.1.3. An associate member may apply for full membership at any time when he/she qualifies for full membership.

2.2.1.2. **Honorary Membership**

2.2.1.2.1. Honorary membership may be awarded by the Board to any person in recognition of an outstanding contribution to the development of the commercial forensic profession or outstanding service to the Institute.

2.2.1.2.2. The process for such an award to be made by the Board is as follows:

2.2.1.2.2.1. Any full member of the Institute may at any time nominate in writing any person to become an honorary member of the Institute and shall submit such a written nomination, co-signed by at least 20 (TWENTY) further full members of the Institute accompanied by a detailed curriculum vitae of the nominated person to the Company Secretary of the Institute.

2.2.1.2.2.2. The Company Secretary shall submit verified nominations to the Board for their consideration and for their decision.

2.2.1.2.2.3. The Company Secretary shall inform the nominated person of the outcome of the process and shall ensure that the recognition and conferring of honorary membership is appropriately communicated to the nominated person.

2.2.1.2.3. An honorary member shall have all the rights and privileges of a full member and is not obliged to pay membership fees.

2.2.2. Application for membership

- 2.2.2.1. During a period to be determined by the Board, from the date of incorporation of the Institute until a date to be determined by the Board, individuals are able to apply for membership on the basis of the qualifications and experience set out above, or of proof of full membership of the Association of Certified Fraud Examiners with 3 year relevant commercial forensic experience, and without having to pass any qualifying examination.
- 2.2.2.2. Applicants will, apart from having to meet the abovementioned criteria, also have to pass a qualifying examination.
- 2.2.2.3. When considering whether a person is fit and proper, the Board has to take into account all relevant factors, including but not limited to the following:
 - 2.2.2.3.1. previous relevant and/or serious criminal convictions and/or administrative sanctions
 - 2.2.2.3.2. being an unrehabilitated insolvent;
 - 2.2.2.3.3. having been removed from a position of trust on account of misbehaviour;
 - 2.2.2.3.4. being disqualified from being appointed as a director of any company as contemplated in the Act; and
 - 2.2.2.3.5. being involved in matters that may bring the industry and the Institute into disrepute.
- 2.2.2.4. What is appropriate in terms of qualifications and experience, and whether an applicant is fit and proper, is within the discretion of the Board, which discretion is to be exercised reasonably and in accordance with applicable legal principles. The Board may delegate the function of assessing and deciding upon membership to a committee of Board members, that shall perform its functions subject to the control and supervision of the Board, and that may refer any issue relevant to membership to the Board for decision.
- 2.2.2.5. Should a person fail to meet any of the membership criteria, he/she may again apply for membership, when and if such a person complies with the requirements for membership.
- 2.2.2.6. A member (except an honorary member) may apply to change from one category of membership to another and the Board shall only consider such a change upon receipt of an application to that effect.
- 2.2.2.7. The Board shall cause a membership register to be maintained and published by the Institute, and shall be entitled upon enquiry to confirm whether a person is a member of the Institute and, if he/she is, what his/her category of membership is.

2.2.3. **Membership fees**

Membership fees may be determined at the Annual General Meeting (“AGM”) upon proposal from the Board, taking into account the financial sustainability requirements of the Institute.

- 2.2.3.1. Special subscription levies may be required from time to time to protect or restore the financial viability of the Institute. Such levies will need to be approved by a two-thirds vote of the entire Board, and ratified by a majority of the members of the Institute at a meeting for which due notice was given. Such special subscription fees shall not be levied against Honorary Members.
- 2.2.3.2. The membership year runs from 1 January to 31 December. Members who join between 1 January and 30 June are liable for a full year’s membership fee. Members who join between 1 July and 31 December are liable for half of the annual membership fee.
- 2.2.3.3. Fees are due and payable within 60 days of the date of the invoicing by the Institute, to the member.
- 2.2.3.4. The Board has the discretion to charge interest at the relevant prime lending rate, in respect of late payments of membership fees.
- 2.2.3.5. A member who resigns or whose membership is terminated by the Institute prior to the conclusion of any membership year for which membership fees have been paid, shall not be entitled to any refund of said fees or any part thereof.
- 2.2.3.6. When a member changes to a category having a different fee structure, the membership fees for the year shall be calculated pro rata.

2.2.4. **Termination of membership**

2.2.4.1. **Resignation:**

Any member who is desirous to resign as a member, shall tender such a resignation in writing to the Board, return his membership certificate to the Board and cease using the relevant designation of the Institute, but shall not be entitled to a refund of any portion of his membership fees paid.

Should a member resign, who was granted full membership through the “grandfather clause” in 2.1.1.1.1.3, such a member will be required to pass the qualifying exam, in order to qualify to become a full member again.

2.2.4.2. **Termination of membership as a result of a disciplinary process:**

- 2.2.4.2.1. Membership of the Institute may be terminated by the Board or an entity duly mandated by the Board thereto, on the following grounds:

2.2.4.2.2. Failure to pay membership fees or other dues -

2.2.4.2.2.1. If any member fails to pay the required membership fees or other dues to the Institute, written notification of delinquency and/or pending termination shall be given to such member, at the relevant contact address of the member as contained in the register of members of the Institute, by the Executive Manager or his or her delegate. The fact that the particular member is in default, that his or her membership may be terminated if he or she remains in default for a period of 60 (sixty days) after the written notification has been given and that the member has a right to make representations to the Executive Manager within the set period of 60 (SIXTY) days as to why his or her membership must not be terminated due to his or her default, must be stated in the notification document.

2.2.4.2.2.2. The membership of any member may be terminated by the disciplinary committee of the Company if a member remains in default for a period of 60 (SIXTY) days after the said notification has been sent to him or her and after the disciplinary committee has considered any representation that he or she may have made.

2.2.4.2.2.3. The Board has the discretion to reinstate the membership of a member whose membership has been terminated on account of the non-payment of membership fees, upon payment of a once-off penalty as determined by the Board (which penalty may not be more than double the annual membership fee).

2.2.4.2.3. Misconduct by a member shall include, but is not limited to, any of the following:

2.2.4.2.3.1. violation of the provisions of this Memorandum of Incorporation;

2.2.4.2.3.2. violation of the Code of Ethics of the Institute;

2.2.4.2.3.3. conduct which brings the profession and / or the Institute into disrepute; or

2.2.4.2.3.4. non-payment of membership fees.

2.2.4.3. The disciplinary committee of the Institute shall consist of two board members and a competent and objective full member of the Institute appointed for this purpose by the Board. Decisions taken by the disciplinary committee shall be by majority vote. Should any of the members of the disciplinary committee have a direct interest in a matter referred to the disciplinary committee, then such a member should be replaced by an alternate appointed by the Board.

2.2.4.4. Notice of termination of membership shall be given to the member concerned within a reasonable period. A register of members as well as members whose membership has been terminated will be kept and published by the Institute. Publication of the names of members whose membership has been terminated following disciplinary action by the Institute may only occur when appeal or review procedures have been exhausted.

3. Rights of Members

3.1. Members' right to information

Every person who is a member of the Institute, in addition to the right to information as set out in section 26 (1), has full and unrestricted access to the Institute's administrative, financial, accounting, company and other relevant records.

3.2. Members' authority to act

If, at any time, every member of the Institute is also a director of the Institute, as contemplated in section 57 (4), the authority of the members to act without notice or compliance with any other internal formalities, as set out in that section is not limited or restricted by this Memorandum.

3.3. Representation by concurrent proxies

A member may not appoint two or more persons concurrently as proxies as contemplated in section 58 (3) (a), but may appoint two or more persons as proxies in the alternate.

3.4. Authority of proxy to delegate

A proxy of a member may not delegate his/her authority to act on behalf of a member to another person as contemplated in section 58 (3) (b).

3.5. Requirement to deliver proxy instrument to the Institute

The requirement that a member must deliver to the Institute a copy of the instrument appointing a proxy before that proxy may exercise the member's rights at a members meeting, as set out in section 58 (3) (c) is varied as follows: The proxy instrument or other authority appointing a proxy shall be deposited at the Institute's registered office as specified in the relevant notice despatched in respect of such members' meeting, at least 2 (TWO) business days prior to the day of the meeting or the adjourned meeting at which such proxy intends to vote or at such place and/or within such time as the directors may from time to time direct and unless such instrument or authority is so deposited such proxy shall not be entitled to attend and/or vote at the meeting. The chairperson of the meeting has the discretion to accept a proxy instrument by way of a fax or electronic mail transmission.

3.6. Deliberative authority of proxy

3.6.1. A proxy is entitled to exercise, or abstain from exercising, any voting right of a member without direction from the member as to how the voting right should be exercised, or not as the case may be, as contemplated in section 58(7), except to the extent that the instrument appointing the proxy provides otherwise.

3.6.2. A vote given by a proxy in accordance with the terms of the instrument appointing him shall be valid notwithstanding the death or insanity of the principal, or revocation of the authority, unless

notice in writing of the death, insanity or revocation has been received by the Institute before the meeting concerned.

3.7. Record date for exercise of member rights

If, at anytime, the Institute's board fails to determine a record date, as contemplated in section 59, the record date for the relevant matter is as determined in accordance with section 59 (3).

3.8. Members' right to requisition a meeting

The right of members to request a meeting, as set out in section 61(3) of the Act, may be exercised by the holders of at least 10% of the voting rights entitled to be exercised in relation to the matter to be considered at the meeting, as provided for in that section. Such meeting may, in the absence of any directors in office at the time, be in all respects arranged by one or more of such members who shall be regarded as acting on behalf of the Institute for this purpose.

3.9. Location of members meetings

The authority of the Institute's board of directors to determine the location of any members meeting, and the authority of the Institute to hold any such meeting in the Republic or in any foreign country, as set out in section 61 (9) of the Act is not limited or restricted by this Memorandum.

3.10. Notice of members meetings

The minimum number of days for the Institute to deliver a notice of a members meeting to the members, as required by section 62 of the Act, is substituted by the provisions of clause 3.10.1 and 3.10.2 respectively.

3.11. Annual General Meetings

- 3.11.1. Notice of the meeting shall be communicated not less than twenty-one (21) days before the date of the meeting to each member entitled to vote at such meeting as defined in this Memorandum of Incorporation. The notice shall as a minimum conform to the requirements of the Act.
- 3.11.2. Any notice or document shall be sent by electronic mail to the e-mail address of members appearing in the records of the Institute. Members are required to ensure that they advise the Institute of any changed to their email addresses as it changes.
- 3.11.3. The accidental omission to give notice of a meeting to or non-receipt of a notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings of that meeting.

3.12. Special General Meetings

The Board may call a Special General Meeting at any time. The business to be transacted at any special meeting not less than thirty (30) days before the date of the meeting in the same manner as described above in respect of the Annual General meeting.

3.13. Electronic participation in members meetings

The authority of the Institute to conduct a meeting entirely by electronic communication or to provide for participation in a meeting by electronic communication, as set out in section 63 of the Act is not limited or restricted by this Memorandum.

3.14. Quorum for members meetings

- 3.14.1. The quorum requirement for a members meeting to begin, or for a matter to be considered are as set out in section 64 (1) subject to a minimum of 10% of full members required by that section.
- 3.14.2. The time periods allowed in section 64 (4) and (5) apply to the Institute without variation.
- 3.14.3. The authority of a meeting to continue to consider a matter, as set out in section 64 (9) is not limited or restricted by this Memorandum.

3.15. Adjournment of members meetings

The maximum period allowable for an adjournment of a members meeting is as set out in section 64 (13), without variation.

3.16. Members resolutions

- 3.16.1. For an ordinary resolution to be adopted at a members meeting, it must be supported by the holders of more than 50% of the voting rights exercised on the resolution, as provided in section 65 (7).
- 3.16.2. For a special resolution to be adopted at a members meeting, it must be supported by the holders of at least 75% of the voting rights exercised on the resolution, as provided in section 65 (9).
- 3.16.3. A special resolution adopted at a members meeting is not required for a matter to be determined by the Institute, except those matters referred to in this Memorandum, the matters set out in section 65(11) or elsewhere in the Act.
- 3.16.4. A written resolution (which may consist of one or more documents in like form) signed by all members and passed by members holding the requisite number of votes, and inserted in the minute book, shall be valid and effective in accordance with its terms as if passed at a members' meeting, provided that such proposed resolution was delivered to all the members by means of a written notice which calls for such resolution to be signed by all the members

willing to support such proposed resolution and be returned to the Institute within a period which is not less than the period referred to in 62(1) of the Act.

- 3.16.5. Unless the contrary is stated herein, any such resolution shall be deemed to have been passed on the latest date on which it was signed by all members.
- 3.16.6. A fax or electronic transmission of a member's signed resolution shall be acceptable evidence that such resolution has been signed by the member; provided that its signature (or that of its representative to the extent that same is stated on the face thereof to be duly authorised to sign on behalf of such member) appears on the fax or electronic transmitted document.
- 3.16.7. It is recorded to avoid doubt that, provided notice of the proposed written resolution was duly given to each member as contemplated in article 4.8.4, any failure by any member to sign any written resolution within the period stipulated in the notice to the member shall not affect the validity of such written resolution, provided further that such written resolution is passed by the members holding the requisite number of votes.

4. Directors and Officers

4.1 Composition of the Board of Directors

- 4.1.1 Only full members of the Institute are eligible for election to the Board of the Institute.
- 4.1.2 In compliance with section 66 of the Act and as determined by the AGM the Institute shall have a minimum number of 3 (THREE) directors
- 4.1.3 All directors shall be elected at a general meeting of the Institute or as otherwise provided for, take office following the election and hold office for a term of two (2) years for which elected unless their terms of office expire or are terminated as provided for elsewhere in this Memorandum of Incorporation.
- 4.1.4 Irrespective of what is stated above, the Board may decide, for reasons of expediency and practicality, to have the election process conducted in virtual mode (electronically) prior to the meeting, provided that proper notice and guidance on the process is given to members and that such a process is able to keep legitimate and authentic data of ballot forms sent to and received from members. The nomination and election procedures, set out below, apply with the necessary changes.
- 4.1.5 All reasonable efforts should be made by members to achieve the ideals of demographic, geographic and industry representations, during the process of nomination of directors. The Board shall also attempt to do so if members are co-opted to the Board.

4.2 Process of election of Board members

- 4.2.1 With the exception of the chairperson, all elected or co-opted positions are general directorships with no fixed responsibilities. Once the members have elected a Board of Directors, those directors will then elect from their number a chairperson and a vice-chairperson, and agree among themselves on the allocation of their future responsibilities.
- 4.2.2 Whenever elections are required to be held, the Board will call for nominations from the general membership by sending a notice to each member. Members, who have the right to vote in terms of Memorandum of Incorporation, may nominate, within the prescribed period, any number of candidates by sending a completed letter of nomination via e-mail to the Institute, marked for the attention of the Nominations Committee. All nominees have to be full members of the Institute. The letter of nomination must:

- 4.2.2.1 Contain an acceptance of the nomination by the nominee;
- 4.2.2.2 Be accompanied by a concise curriculum vitae of the nominated person; and
- 4.2.2.3 Be supported by at least ten (10) persons who must be full members of the Institute. Their full names, membership numbers and signatures must be added to the nomination form.
- 4.2.3 The Nominations Committee, appointed by the Board and consisting of three Board members, must review all nominations, to ensure that the candidates are eligible, are not disqualified in terms of the Act or this Memorandum of Incorporation, and are in good standing.
- 4.2.4 If a person nominated does not meet the said criteria, the persons who nominated him or her, shall be notified in writing.
- 4.2.5 All properly nominated candidates who meet the eligibility criteria and are not disqualified for any reason must be included in the list of candidates, and the list has to be sent to all members who have the right to vote during the election process.
- 4.2.6 Should a member have an objection to any person on the list, his/her objection must be brought to the attention of the nominations committee within seven days after receipt of the list, and the Committee may then review its decision. Should the Committee, in consideration of the grounds of the objection received, decide that the person nominated is not eligible or is disqualified; an amended list of candidates must be sent to all members who have the right to vote.
- 4.2.7 Only candidates who have been duly notified to the members are eligible for election, and nominations from the floor during the course of the meeting or during an electronic election process may not be accepted.
- 4.2.8 The Board must advise the members in the notice of the number of positions to be filled, together with a brief curriculum vitae of the respective nominees and of the election process to be followed.
- 4.2.9 If an electronic election process is not followed, voting may take place by proxy, and the Board must ensure that this fact is conveyed to members and that proxy forms accompany the Notice of Meeting to those who have the right to vote.
- 4.2.10 A proxy form should contain the names of candidates nominated and make provision for the following particulars to be completed by the member exercising his or her vote by proxy:

- 4.2.10.1 Name of member voting;
- 4.2.10.2 Membership number; and
- 4.2.10.3 The manner referred to in paragraph 4.2.15, below, in which the member must indicate who his or her preferred candidate are.
- 4.2.11 The proxy form must be completed by the member, signed and returned to the Institute at least one day before the election meeting.
- 4.2.12 Before the voting begins, the members present at the meeting (or if a virtual election process is followed, then via e-mail) must first confirm or amend the total number of Board positions to be filled.
- 4.2.13 Voting takes place by show of hands or ballot paper, as decided by the meeting, and by proxy, or a virtual election process may be used.
- 4.2.14 A ballot sheet is prepared prior to voting, containing the names of all eligible candidates and the industries they represent.
- 4.2.15 Members with the right to vote may vote for one candidate per vacancy on the board.
- 4.2.16 Voting takes place either by show of hand or by making an "X" on the ballot paper or proxy next to the names of the candidates voted for, unless a virtual process is followed in the case of which an "X" should be put next to the name of the selected candidate on the virtual ballot form.
- 4.2.17 The candidate attracting the most votes, is declared elected.
- 4.2.18 In case of an equality of votes, the chairman has a casting vote.
- 4.2.19 In addition to the elected directors and the Executive Manager as *ex officio* director, there are no other appointed, alternate or *ex officio* directors of the Institute, as contemplated in section 66(4), but the right of the board to elect or appoint either alternate or *ex officio* directors is not limited or restricted by this Memorandum.
- 4.2.20 The authority of the Institute's board of directors to fill any vacancy on the board on a temporary basis, as set out in section 68 (3) is not limited or restricted by this Memorandum.

4.3 Authority of the Board of Directors

The authority of the Institute's board of directors to manage and direct the business and affairs of the Institute, as set out in section 66 (1) is not limited or restricted by this Memorandum.

4.4 Directors' Meetings

- 4.4.1 The authority of the Institute's board of directors to consider a matter other than at a meeting, as set out in section 74 is not limited or restricted by this Memorandum.
- 4.4.2 The right of the Institute's directors to call a meeting of the board, as set out in section 73 (1), may be exercised by at least 25% of the directors, as provided in that section.
- 4.4.3 The authority of the Institute's board of directors to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in section 73 (3) is not limited or restricted by this Memorandum.
- 4.4.4 The authority of the Institute's board of directors to determine the manner and form of providing notice of its meetings, as set out in section 73 (4) is not limited or restricted by this Memorandum.
- 4.4.5 The authority of the Institute's Board of directors to proceed with a meeting despite a failure or defect in giving notice of the meeting, as set out in section 73 (5) is not limited or restricted by this Memorandum.
- 4.4.6 The quorum requirement for a directors meeting to begin, the voting rights at such a meeting, and the requirements for approval of a resolution at such a meeting, are as set out in section 73 (5), without variation.

4.5 Reviews and Appeals

- 4.5.1 Any decision of a committee of the Board which affects the rights of a member or an applicant for membership, is subject to review or appeal by the Board at the request of such applicant or member, as described more fully below.
- 4.5.2 If any applicant or member (hereinafter referred to as "the applicant") is aggrieved by any decision of a committee of the Board, he/she has the right to lodge an appeal or application for the review of the decision to the Board within 30 calendar days after being advised of the committee's decision, by submitting a written notice to the Chairperson of the Board at the Institute's place of business, containing the following information:
 - 4.5.2.1 His/ her full names, identity number and email address;
 - 4.5.2.2 Details of the decision of the committee against which the appeal or revision is lodged;
 - 4.5.2.3 The reasons for the appeal or review and any supporting evidence or information; and/or

4.5.2.4 Any further relevant information.

4.5.3 Such notice may be submitted by email or personal delivery.

4.5.4 The Board shall within 1 (one) week acknowledge receipt of the written notice of appeal or review, and shall forward a copy to the committee for its written comment, which comment shall be provided to the chairman of the Board within 1 (one) week.

4.5.5 The Board, constituted without the members of the committee, shall consider the appeal or review based on the written notice of the applicant and the written comment of the committee, within a reasonable period, and shall convey its decision to the applicant and to the committee.

4.5.6 Neither the applicant nor any member of the committee shall be entitled to be present or represented when the Board considers the appeal or review, and the decision of the Board shall be final and binding.

4.5.7 The Board may decide on an appropriate fee to be payable by the applicant for administrative costs.

4.6 Director's compensation and financial assistance

4.6.1 The authority of the Institute to pay remuneration to the Institute's directors as set out in Item 1(3) of Schedule 1 of the Act, shall be determined in accordance with a special resolution approved by the Institute's members subject to the provisions of 66 (8) and (9).

4.6.2 The Institute's board of directors may not, subject to the provisions of Item 5(4) of Schedule 1 of the Act, authorise the Institute to provide financial assistance to a director other person referred to in Item 5(4) of Schedule 1 of the Act.

4.7 Indemnification of Directors

4.7.1 The authority of the Institute to advance expenses to a director, or indemnify a director, in respect of the defense of legal proceedings, as set out in section 78 (4) is not limited, restricted or extended by this Memorandum.

4.7.2 The authority of the Institute to indemnify a director in respect of liability, as set out in section 78 (5) is not limited or restricted by this Memorandum.

- 4.7.3 The authority of the Institute to purchase insurance to protect the Institute, or a director, as set out in section 78 (7) is not limited, restricted or extended by this Memorandum.

4.8 Committees of the Board

- 4.8.1 The authority of the Institute's board to appoint committees of directors, and to delegate to any such committee any of the authority of the board, as set out in section 72 (1), and to include in any such committee persons who are not directors, as set out in section 72 (2)(a) is not limited or restricted by this Memorandum.
- 4.8.2 The authority of a committee appointed by the Institute's board, as set out in section 72 (2) (b) and (c) is not limited or restricted by this Memorandum.

5 General Provisions

5.1 Disciplinary Procedures

- 5.1.1 All members of the Institute must at all times display responsible, professional, and socially acceptable behavior in the execution of their duties.
- 5.1.2 Every member of the Institute must at all times adhere to the values of the Constitution of the Republic of South Africa, applicable legislation and the law in general, as well as the Code of Ethics of the Institute in the execution of their duties.
- 5.1.3 All members should at all times act with care, diligence and competence in the performance of their work.
- 5.1.4 If any member of the Institute fails in adhering to the aforementioned, reasonable steps shall be taken by the Institute, upon receipt of a complaint to such effect, to ensure the protection of the reputation of the profession and the maintenance of the high standards of the Institute, as well as the possible rehabilitation of the member.
- 5.1.5 Where it is alleged that a member of the Institute failed to adhere to the values, principles, rules and Code of Ethics of the Institute, the Disciplinary Committee shall evaluate and rule on such allegation in terms of this document.
- 5.1.6 The Disciplinary committee appointed by Board of Directors of the Institute is responsible for receiving, assessing and investigating all complaints against members. .

- 5.1.7 The following disciplinary procedure will apply in handling complaints and other cases of alleged misconduct:
- 5.1.7.1 All complaints must be in writing or shall be reduced to writing by someone designated by the Institute and shall be forwarded to the Executive Manager.
- 5.1.7.2 The Executive Manager shall formally acknowledge receipt of the complaint, and submit the complaint to the Disciplinary Committee of the Board (“the Committee”).
- 5.1.7.3 The Committee, consisting of two directors, other than the Chairman of the Board, and one independent member, appointed by the Board, will consider the complaint.
- 5.1.7.4 The Committee shall consider the complaint and determine if it is within the Institute’s jurisdiction to deal with the complaint. The Committee will also need to determine if there are sufficient substance and grounds for the complaint to warrant further action. A decision not to continue with the complaint must be communicated to the Complainant.
- 5.1.7.5 Where the Committee decides to continue with the complaint, the individual named in the complaint must be promptly sent a Notice of Complaint by registered mail (sent to the individual’s last address known to the Institute). The notice of complaint must include details of the complaint, the procedure for handling the complaint, and the possible sanctions.
- 5.1.7.6 The individual shall be requested to respond to the complaint, in writing, within 14 days from the date of the Notice of Complaint.
- 5.1.7.7 Upon receipt of the reply, or failure of the individual to do so within the time limit, the Committee shall decide whether further action is warranted. If no further action is warranted, the Committee must advise the complainant and the individual named in the complaint, through its Chairman, accordingly in writing by registered mail.
- 5.1.7.8 If the Notice of Complaint is not answered satisfactorily or if the complaint requires further clarification, the Committee must initiate an investigation to determine and document the facts pertaining to the complaint.
- 5.1.7.9 The investigation shall be conducted by the Committee, which may, if deemed necessary, appoint one or more qualified and independent members of the Institute to assist in conducting such investigation.
- 5.1.7.10 If deemed necessary, the Committee must conduct a formal hearing. The hearing will be held at a location and time determined by the Chairman of the Committee, but notice of hearing shall be communicated to the individual named in the complaint (“the respondent”) at least 21 days prior to the hearing. A copy of the investigation report, if any, should accompany this notice. If there is no investigation report, sufficient particulars of the complaint should accompany the notice to enable the respondent to prepare for the hearing.

- 5.1.7.11 The formal hearing shall be held before a Director of the ICFP or an independent full member of the ICFP, both of whom may not be a member of the Disciplinary Committee, and who has the appropriate skills and experience.
- 5.1.7.12 The respondent is entitled to a fair hearing. Evidence shall be presented and the respondent may challenge or question the evidence presented. The respondent shall be entitled to scrutinise all evidence, to cross-examine all witnesses, to adduce evidence in his or her defense and to present argument on the complaint and the evidence presented at the hearing.
- 5.1.7.13 The respondent is not entitled to legal representation during these disciplinary proceedings unless the Chairperson at the hearing finds that in the particular circumstances of the matter exceptional circumstances exist that necessitate that the respondent be allowed to have legal representation. In such a case the professional fees and related costs incurred in respect of such legal representation shall be borne by the respondent.
- 5.1.7.14 The hearing proceedings should be fully documented and recorded.
- 5.1.7.15 The Chairperson at the hearing shall submit a written report to the Disciplinary Committee and the respondent within 14 days of completion of the hearing. The report shall outline the events of the hearing, relevant facts and circumstances, the finding and the sanctions imposed by the Chairperson of the hearing. The Chairperson must then inform the board and the complainant in writing that the matter has been dealt with, subject to the right to appeal or review. The respondent must be informed by the Chairperson in his report that he/she has the right to lodge an appeal to the Board within 7 days of transmission of the report.
- 5.1.7.16 Any decisions, findings and sanctions of the Committee are subject to appeal to the Board, constituted without the members of the committee. The format of the appeal process will be determined by the Board and communicated to the relevant parties.
- 5.1.7.17 Sanctions may include Censure, Suspension or Termination of membership:
- 5.1.7.17.1 **Censure** – This sanction takes the form of a warning or reprimand placed in the Institute’s file. Notice shall be in writing and clearly outline the consequences in the event of a repetition of the conduct in question, or the taking place of similar conduct.
- 5.1.7.17.2 **Suspension or Termination of membership** – If the severity of the offence or repetitive instances of misconduct warrant more than censure, the individual’s membership of the Institute may be suspended for a reasonable period or may be terminated and his/her relevant designations and certifications of the Institute may be revoked.
- 5.1.8 In the case of a sanction of suspension or termination of membership, the fact of such termination or suspension will be published in the relevant communication medium of the Institute. Such notices shall disclose the name of the individual concerned.

- 5.1.9 If the outcome of the process is a “not guilty” verdict, the outcome shall be published in the relevant communication medium of the Institute, if the accused member so requests.

5.2 Institute records

The Institute shall keep such, administrative, financial, accounting and other records as may be required to satisfy the requirements of the Act or any other law, including without limitation as may be required for the preparation of the Institute’s financial statements.

5.3 Institute obligations

The Institute shall, subject to this Memorandum and the Act comply with all statutory obligations applicable to the Institute.

5.4 Notices

- 5.4.1 A notice shall be delivered by the Institute to all members either-

5.4.1.1 personally; or

5.4.1.2 by sending it by registered mail to his registered address; or

5.4.1.3 provided that such member has consented thereto in writing, by electronic communication to such address as the member may advise the Institute in writing from time to time. For the purposes of this article 6.3, such "address", in relation to electronic communication, includes any number or address used for the purposes of such electronic communication.

5.4.2 Any notice by registered mail shall be deemed to have been delivered at the time when the letter containing the notice was posted and in proving the giving of the notice by registered post, it shall be sufficient to prove that the letter containing the notice was properly addressed and posted. Proof that a notice contained in an electronic communication was sent in accordance with the provisions of the Electronic Communications and Transaction Act 25 of 2002 shall be conclusive evidence that the notice was given.

5.4.3 The signature to any notice given by the Institute may be written or printed, or partly written and partly printed.

5.5 Winding up

Upon its winding up, deregistration or dissolution the assets of the Institute remaining after the satisfaction of all its liabilities shall be given or transferred to an entity, which entity shall have objectives similar to the main object of the Institute, or to some other association or institution having objects similar to the main object of the Institute to be determined by the board of the Institute at or before the time of its dissolution, or, failing such determination, by the High Court having jurisdiction in respect of

the area within which the registered office of the Institute will have been situated immediately prior to its dissolution.

5.6 Deadlock

If the required majority for the passing of a directors' resolution cannot be obtained due to an equality of votes, such particular resolution only shall cease *ipso facto* to be within the directors' domain and the Chairperson of the Institute will hold the casting vote.

5.7 Company Bank Account

- 5.7.1 All amounts received by or on behalf of the Institute shall be paid into a bank account(s) as determined by the directors and all payments, excluding payments of a petty cash nature shall be made from this account(s) unless the board decides otherwise.
- 5.7.2 All payments and transfers made from the Institute's bank accounts, must be authorised by (one) director, unless the members decide otherwise by means of an ordinary resolution, which decision may include the determination of a threshold maximum amount from time to time under which the signature or authorisation of cheques and payments, as the case may be, of only 1 (ONE) director is required.

5.8 Budget

Notwithstanding any provision to the contrary, the directors of the Institute shall only be entitled to incur liabilities and make payments on behalf of the Institute in accordance with the Institute's budget approved by the Board unless the Board resolve otherwise.