

REPUBLIC OF SOUTH AFRICA
COMPANIES ACT, 1973

ARTICLES OF ASSOCIATION
OF A COMPANY NOT HAVING A SHARE CAPITAL
not adopting Schedule 1

Registration No. of Company

05/01125/08

Name of Company :

SOUTH AFRICAN CANE GROWERS' ASSOCIATION
(Association incorporated under Section 21)

1. INTERPRETATION

In these Articles unless the context otherwise requires :

- 1.1 expressions defined in the Companies Act, 1973 ("the Act") the Sugar Act 1978, and the Sugar Industry Agreement 2000 ("the agreement") all as amended or replaced from time to time, shall bear the meanings so defined;
- 1.2 small scale grower means, a grower who during the immediately preceding 3 years delivered an average of 450 tons Recoverable Value (RV) or less;
- 1.3 large scale grower means any grower who is not a small scale grower;

1.4 words importing the singular shall include the plural and vice versa, and words importing the masculine gender only shall include the feminine and neuter genders and vice versa; and

1.5 words importing persons shall include bodies corporate, partnerships and other unincorporated associations or persons.

2. ORGANISATION

2.1 Any organisation :

2.1.1 formed for the purpose of promoting the interests of growers but excluding miller-cum-planters;

2.1.2 and whose membership is open to the growers described in 2.3, shall be eligible for membership of the Association subject to the provisions of Article 3.5.

2.2 No individual shall be a member of the Association.

2.3 From 1 April 1998 the membership of each member shall :

2.3.1 comprise those growers who are contracted to deliver their cane to the same mill together with growers who delivered their cane to that mill during the previous year and have not since contracted to deliver their cane to a different mill;

2.3.2 be determined on 1 April each year and shall apply for the balance of that year.

2.4 Each members shall elect delegates to a Local Grower Council, which will be indirectly representative :

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- 2.4.1 until 31 March 1998 of all growers whose quotas or small grower entitlements are attached to a particular mill in terms of the Agreement.
- 2.4.2 from 1 April 1998 all the growers referred to in 2.3.1.
- 2.5 There shall accordingly be a Local Grower Council for each mill.
- 2.6 Members categorised in terms of Article 2.18 as representing large scale growers in a mill area shall be entitled to nominate a maximum of 12 delegates to the Local Grower Council and members categorised in terms of Article 2.18 as representing small scale growers in a mill area shall be entitled to nominate a maximum of twelve delegates to the Local Grower Council.
- 2.7 Each Local Grower Council shall comprise a maximum of twenty-four delegates.
- 2.8 Notwithstanding the foregoing, members categorised as representing large scale growers and/or small scale growers respectively may agree to appoint a lesser number of delegates to the Local Grower Council.
- 2.9 Unless otherwise agreed by all members in a particular mill supply area, the members representing large scale growers and those representing small scale growers shall be entitled to equal representation on the Local Grower Council.
- 2.10 In a mill area where only one category of growers is represented, the Local Grower Council shall comprise a maximum of 12 delegates appointed by the member representative of that category of growers.
- 2.11 If a member representative of a category of growers which is not represented on the Local Grower Council is formed in that mill area, it will be entitled to appoint a maximum of twelve delegates to the Local Grower Council. The provisions of Article 2.6 shall apply mutatis mutandis to this Article.

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- 2.12 The number of delegates which each member shall be entitled to nominate to the Local Grower Council shall be determined annually by the Secretary of the Association.
- 2.13 In making the determination referred to in Article 2.12 the Secretary of the Association shall endeavour to ensure that the number of delegates nominated to the Local Grower Council by each member representing :
- 2.13.1 large scale growers bears, as near as is practical, the same ratio to the total number of large scale grower delegates as the total tonnage of cane delivered by its members during the period of three years immediately preceding the determination bears to the total tonnage of cane delivered by all the large scale growers delivering cane to the particular mill during the same period;
- 2.13.2 small scale growers bears, as near as is practical, the same ratio to the total number of small scale grower delegates as the total tonnage of cane delivered by its members during the period of three years immediately preceding the determination bears to the total tonnage of cane delivered by all the small scale growers delivering cane to the particular mill during the same period.
- 2.14 Members representing large scale growers and small growers respectively may combine with one another. In this event the number of delegates which the member is entitled to appoint to the Local Grower Council will be determined by the Secretary of the Association having regard to the principles set out above.
- 2.15 In the event that all the small scale grower members in a mill area combine with a large scale grower member in that mill area or vice versa, the total number of delegates to which the Local Grower Council will be entitled shall remain as a maximum of 24.
- 2.16 The rules and regulations governing the constitution of Local Grower Councils shall be those as approved by the Board of Directors (“the Board”). If such rules and regulations are in any way inconsistent with the provisions of these Articles, the provisions of these Articles shall prevail.

- 2.17 A member may itself determine whether it represents a large scale grower or a small scale grower group of growers, provided that at least one-third of the tonnage of cane produced by members during the immediately preceding completed period of three years is produced by the category of grower which such member elects to classify itself as representing.
- 2.18 In the event that the minimum tonnage of one-third referred to above is not achieved, the Board shall alter the categorisation of the member accordingly.
- 2.19 Members shall be represented at general meetings of the Association in the manner set out in Article 20.5.
- 2.20 Each Local Grower Council shall nominate persons to be members of the Board.

3. MEMBERS

- 3.1 Upon the registration of the amendments to the Memorandum and Articles of Association adopted by a Special Resolution of the Association passed on 17 June 2004, the members of the Association shall be the following :
- 3.1.1 Alexandra Group;
 - 3.1.2 Amatikulu Mill Cane Committee;
 - 3.1.3 Amatikulu Mill Group;
 - 3.1.4 Chakas Kraal Mill Group;
 - 3.1.5 Darnall Farmers Association;
 - 3.1.6 Emoyeni Mill Group;
 - 3.1.7 Eshowe Farmers' Association;
 - 3.1.8 Entumeni Mill Cane Committee;
 - 3.1.9 Esperenza-Sezela Mill Group;
 - 3.1.10 Felixton Cane Growers' Association;
 - 3.1.11 Frosterly Mill Group;
 - 3.1.12 Gledhow Mill Cane Committee;
 - 3.1.13 Gledhow Mill Group;

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- 3.1.14 Gledhow Planters' Association;
 - 3.1.15 Glendale Mill Group;
 - 3.1.16 Glendale Mill Cane Committee;
 - 3.1.17 Illovo Mill Cane Committee;
 - 3.1.18 Illovo Planters' Group;
 - 3.1.19 Komati Mill Cane Committee;
 - 3.1.20 Laeveldse Rietkwekersvereniging;
 - 3.1.21 Maidstone Planters' Associaton
 - 3.1.22 Maidstone Mill Cane Committee;
 - 3.1.23 Makhatini Mill Cane Committee;
 - 3.1.24 Malelane Mill Cane Committee;
 - 3.1.25 Melmoth Mill Group;
 - 3.1.26 Melville Mill Group;
 - 3.1.27 Natal Estates Planters Association;
 - 3.1.28 Noodsberg Mill Cane Committee
 - 3.1.29 Noodsberg Cane Growers' Association;
 - 3.1.30 North Pondoland Mill Cane Committee;
 - 3.1.31 Ntumeni Planters' Association;
 - 3.1.32 Pongola Cane Growers' Association;
 - 3.1.33 Qwabe Cane Growers' Association;
 - 3.1.34 Sezela Mill Cane Committee;
 - 3.1.35 Tongaat Mill Group;
 - 3.1.36 Umfolosi Mill Group;
 - 3.1.37 Umfolosi Mill Cane Committee;
 - 3.1.38 Umzimkulu Cane Growers' Association;
 - 3.1.39 Umzimkulu Mill Group;
 - 3.1.40 Umzimkulu Mill Cane Committee;
 - 3.1.41 Union Co-operative Limited.
- 3.2 Any organisation referred to in Article 2.1 whose membership is comprised of growers described in Article 2.3.1 shall be eligible for membership of the Association.

- 3.3 Any organisation which is eligible for membership in terms of Article 3.2 may apply for membership of the Association.
- 3.4 The rules and regulations governing the constitution and finances of members and any matter shall be those as approved by the Board. If such Rules and Regulations are in any way inconsistent or in conflict with the provisions of these Articles, the provisions of the Articles shall prevail.
- 3.5 The Board may accept or reject any application for membership or may approve such application conditionally.
- 3.6 Any person referred to in Article 2.3, but not a miller-cum-planter, shall be entitled to membership of a member whose other members deliver their cane to the particular mill to which such person delivers his cane.
- 3.7 If any application by a grower for membership would result in a change of categorisation of a member in terms of Article 2.18, then the application for membership may on those grounds be refused.
- 3.8 No grower shall be or become a member of more than one organisation in respect of the same farming enterprise.

4. TERMINATION OF MEMBERSHIP

- 4.1 By Resolution passed by not less than two-thirds of the Directors as are present at the meeting, the Board may terminate the membership of any member.
- 4.2 A member shall cease to be such when it ceases to qualify in terms of Article 3.
- 4.3 A member may at any time advise the Secretary in writing of its desire to resign as a member.
- 4.4 Any termination of membership shall become effective at the end of the financial year in which such membership is terminated, subject always to the member's

continuing liability for all calls, levies or assessments made or imposed in accordance with the Memorandum and Articles of Association in respect of such financial year.

5. BOARD OF DIRECTORS

5.1 A Board with the powers and duties defined in Article 7 shall be appointed annually in accordance with the following provisions.

5.2 The Board appointed after the amendments to these Articles have been duly registered shall consist of the sixty six persons who, immediately prior to registration of the amendments to these Articles, represented the members and constituted the Board.

5.3 Such directors shall hold office until the close of the annual general meeting following the registration of the amendments to these Articles. With effect from that annual general meeting the Board shall be reconstituted and the number of directors to be nominated by Local Grower Councils for appointment to the Board shall be as follows:

Mill Supply Area	Number of Directors
Amatikulu	6
Darnall	4
Entumeni	4
Felixton	6
Gledhow	6
Illovo	4
Komati	4
Maidstone	6
Malelane	4
Noodsberg	4
Pongola	4
Sezela	4
Umfolozi	4
Umzimkulu	4
Union Co-op	2

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- 5.4 The number of Directors nominated to the Board by Local Grower Councils may be altered by the Board by resolution of the Board passed by not less than two-thirds of the Directors as are present at the meeting, in the following circumstances:
- 5.4.1 If a new mill is established, the provisions of Article 2 shall apply and the Board shall determine the number of Directors which the newly established Local Grower Council will be entitled to nominate to the Board having regard to the constitution of such Local Grower Council.
- 5.4.2 If an organisation of growers is formed in a mill area in which that category of grower did not previously have an organisation, the Board shall allocate at least two directors to be nominated to the Board by that category of member.
- 5.4.3 If an existing mill closes down permanently, the Local Grower Council operative in that mill area shall cease to exist and the entitlement to appoint Directors to the Board will cease. The Board may, in its discretion, increase the number of Directors which the Local Grower Council in the mill area of the mill at which the cane of the closed mill has been accommodated is entitled to nominate to the Board.
- 5.5 A decision by the Board to alter the number of Directors who may be nominated by any Local Grower Council shall be reported to the General Meeting next following such alteration.
- 5.6 The Board may permit observers to attend meetings of the Board with such rights, privileges and obligations as the Board may from time to time determine.

6. APPOINTMENT OF THE BOARD

- 6.1 Each local Grower Council shall nominate a person or persons to represent members on the Board in accordance with Article 5.

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- 6.2 The Board shall be nominated annually before the date fixed for the Annual General Meeting of the Association and shall take office immediately after closure of the Annual General Meeting of the Association and shall remain in office until the closure of the Annual General Meeting next following.
- 6.3 No person who is a Director of a Sugar Milling Company or Sugar Milling Co-operative in the Republic of South Africa shall be eligible for appointment to the Board.
- 6.4 No person who is elected to hold remunerated political office in national, provincial or local government or party politics shall be eligible for appointment to the Board. In the event of a member of the Board assuming such remunerated political office, he shall be required to resign his position in the Board as soon as possible.
- 6.5 Each Director shall be a member of a member. Notice of the appointment of Directors shall be advised in writing to the Secretary of the Association by the date and time fixed in terms of Article 6.6 hereof.
- 6.6 The Board shall fix the latest date and time in each year by which the names of the Directors nominated by local Grower Councils must be lodged with the Secretary. If a local Grower Council is unable to lodge such names by the date so determined, it shall apply to the Board for condonation for the late submission of its nominations.
- 6.7 If any member of the Board resigns, dies or ceases to be a member of a member or becomes disqualified from being a member of the Board or disentitled to hold office as a Director of a company in terms of the Act or is absent from three consecutive meetings of the Board without having first obtained leave of absence from the Board the seat of that member shall forthwith be declared vacant.
- 6.8 Any vacancy in the Board occurring through any cause referred to in Article 6.7 or any other cause shall be filled by a duly qualified person nominated thereto by

a local Grower Council whose nomination to the Board is affected by such vacancy.

7. THE BOARD

Powers and Duties

The Board shall have the following powers and duties :

- 7.1 To exercise all such powers of the Association as are not by the Act, or these Articles, required to be exercised by the Association in General Meeting and as are not conferred upon the Executive Committee in terms of Article 11.
- 7.2 To establish and control the financial policy of the Association and in particular, but without limiting the foregoing, to consider and pass estimates of expenditure and to recommend for adoption by the Annual General Meeting the amount of money to be raised by level to provide funds for the affairs of the Association, and if such levy is to be increased over that charged in the previous year, to recommend such increased levy to the annual general meeting.
- 7.3 To elect the Chairman, Vice-Chairman, Grower Nominee to the office of either Chairman or Vice-Chairman of the South African Sugar Association and Executive Committee in terms of Articles 9 and 10.
- 7.4 To appoint sub-committees for any purpose within the scope of the objects of the Association, to delegate to them such powers as it may deem fit and to vary such powers from time to time.
- 7.5 To appoint delegates, Council members, their alternates and other representatives to the South African Sugar Association and to fulfil any functions assigned to the Association in terms of the Constitution of the South African Sugar Association.

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- 7.6 To fulfil any functions assigned to the Association by any agreement or determination published in the Government Gazette under the Sugar Act of 1978 as amended or replaced from time to time.
- 7.7 To discuss the terms of any such agreement or determination or any prospective amendment thereof and to agree on behalf of members, with or without reference to members as may be decided by the Board, to the terms of any amendment to the agreement deemed to be necessary from time to time and to advise the Executive Committee on the manner in which it should act in its dealing with the South African Sugar Association and with the Minister.
- 7.8 To hire or otherwise acquire the use of offices or premises for the proper conduct of the business of the Association.
- 7.9 To perform all acts necessary to enable the appointment of the Board in each year.
- 7.10 To exercise the powers and duties defined in articles 3,4,5,6, 13 and 24.
- 7.11 To make, alter, add to and amend rules and regulations for the conduct of the business of the Association from year to year including rules and regulations for the conduct of the proceedings of the Board and the Association provided that no such rules and regulations shall be contrary to the provisions of these Articles.
- 7.12 To recommend to the Annual General Meeting of the members the remuneration or rate of remuneration to be paid to members of the Board and executive Committee, to the Chairman and Vice-Chairman and other office bearers for the ensuing year, and to any member of a member or affiliated member who may be called upon by the Association to carry out any task on behalf of the Association.
- 7.13 To report on the affairs of the Association at Annual General Meetings.
- 7.14 Subject to the provisions of Article 4.1, the Board may in its discretion and without assigning any reason therefore terminate the rights of a member which

shall cease to be a member of the South African Cane Growers' Association subject, however, to its continuing liability for all amounts which it is liable to pay to the Association in terms of Articles 15.1 and 4.4 up to and including the date of termination of its membership.

7.15 From time to time to fix the rate of reimbursement to be paid to any member of a member in respect of expenses incurred in travelling in connection with the affairs of the Association.

7.16 To approve or otherwise the Constitutions of members and any amendments thereto.

7.17 Without in any way limiting the foregoing powers of the Board it shall have the general power of deciding all matters of policy and interest affecting the Association and may deal with any matter not specifically dealt with herein.

8. MEETINGS OF THE BOARD

8.1 The Board shall meet at least four times in every year and at least once every four months.

8.2 Board meetings shall be held at such time and place as the Chairman or in his absence the Executive Committee shall decide.

8.3 Two-thirds of the members of the Board shall form a quorum for the transaction of all business; provided, however, that a meeting of the Board once duly constituted may continue to transact business although a quorum of its members may not be present at any subsequent time at that meeting. In the event of a quorum not being present within thirty minutes after the time determined for a meeting of the Board in terms of Article 8.2 then that meeting shall stand adjourned for a period of seven days whereafter it will take place at the same time and place provided that if such day is a public holiday or Saturday then the meeting shall take place on the next business day. At any such adjourned meeting the Directors being present thereat shall constitute a quorum.

8.4 No resolution or proposal shall be considered unless it is duly seconded and all resolutions and other matters shall be decided by a majority of directors present at a meeting, each director of the Board being entitled to one vote, only except the Chairman of the meeting who shall have a casting vote in addition to his deliberative vote in the case of an equality of votes.

9. ELECTION OF CHAIRMAN, VICE-CHAIRMAN AND ACTING CHAIRMAN AND GROWER NOMINEE TO THE OFFICE OF CHAIRMAN OR VICE-CHAIRMAN OF THE SOUTH AFRICAN SUGAR ASSOCIATION

9.1 As soon as practicable after taking office and whenever a vacancy occurs, the Board shall elect from among its number by secret ballot conducted in a manner to be determined by it from time to time a Chairman or Vice-Chairman or both who shall hold office until successors in office have been elected.

9.2 The Chairman and Vice-Chairman so elected shall be Chairman and Vice-Chairman of the Board and Executive Committee and of the Association.

9.3 As soon as practicable after taking office and whenever a vacancy occurs, the Board shall elect from among its number by secret ballot conducted in a manner to be determined by it from time to time the Grower Nominee to the office of Chairman or Vice-Chairman of the South African Sugar Association who shall hold office until a successor in office has been elected.

9.4 The Chairman, Vice-Chairman and Grower Nominee to the office of Chairman or Vice-Chairman of the South African Sugar Association elected after the amendments to these Articles have been registered, shall be those persons who immediately prior to the registration of the amendments to these Articles held the office of Chairman or Vice-Chairman of the Association or was the Grower Nominee for the office of Chairman or Vice-Chairman of the South African Sugar Association.

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- 9.5 In the event of the absence of the Chairman and Vice-Chairman of the Association or in the event of neither the Chairman nor the Vice-Chairman being able to act for any reason whatsoever, then the Executive Committee shall appoint an Acting Chairman who shall fulfil all the functions of the Chairman until the Chairman or Vice-Chairman is in a position once again to act or until the vacancy has been filled by the Board in terms of Article 9.1.
- 9.6 A person who has been elected Chairman for two successive and complete terms shall not be eligible for nomination for the next ensuing year as Chairman unless his nomination be approved by not less than two-thirds of the members of the ballot. If his nomination be duly approved, the retiring Chairman shall be eligible to stand as a candidate for re-election as Chairman.
- 9.7 The Chairman and Vice-Chairman of the Association shall be members, ex officio, of all sub-committees appointed by the Board or Executive Committee in terms of their powers.
- 9.8 The Chairman of the Association or in his absence the Vice-Chairman or in the absence of both of them, the Acting Chairman appointed in terms of Article 9.5, shall preside at all meetings of the Board and at meetings of the Association.

10. ELECTION OF EXECUTIVE COMMITTEE

- 10.1 Immediately after the election of a Chairman and a Vice-Chairman and the Grower Nominee to the office of Chairman or Vice-Chairman of the South African Sugar Association, the Board shall elect from among its number by secret ballot conducted in a manner to be determined by it from time to time, a Committee called the Executive Committee comprising the Chairman, Vice-Chairman and the Grower Nominee to the office of Chairman or Vice-Chairman of the South African Sugar Association as elected in Articles 9.1 and 9.3 and such other number of persons as determined annually by the Board.
- 10.2 If any member of such Executive Committee be absent from three consecutive meetings of the Executive Committee without having obtained leave of absence

from the Executive Committee, or ceases to be a member of the Board, then the seat of that member on such Executive Committee shall forthwith be declared vacant.

10.3 The Executive Committee elected after the amendments to these Articles have been registered shall comprise those persons who immediately prior to the registration of the amendments to these Articles were members of the Executive Committee.

10.4 In the event of a vacancy occurring from any cause in the Executive Committee, the Board shall forthwith fill the vacancy from among its number by an election conducted as aforesaid.

10.5 Subject to the foregoing all members of the Executive Committee shall take office from the time of their election until such time as the next succeeding Executive Committee is elected in terms of these Articles.

11. EXECUTIVE COMMITTEE : POWERS AND DUTIES

The Executive Committee shall conduct generally all the affairs of the Association in accordance with the policy decided upon by the Board, and in particular, it shall have the following powers and duties, namely :

11.1 To cause minutes to be entered of all proceedings at all meetings of the Association, the Board and the Executive Committee.

11.2 To collect the revenue of the Association and control the expenditure thereof in accordance with the estimates passed by the Board.

11.3 To open banking accounts at such bank or banks as it may decide upon in the name of the Association into which all monies received on behalf of and belonging to the Association shall be paid and to operate on such accounts by cheque, which cheques shall be signed by any two of the Executive Committee

and members of the staff duly appointed by the Executive Committee for that purpose.

- 11.4 To receive monies upon deposit on such terms as it shall see fit.
- 11.5 To invest any surplus monies of the Association in such manner as it may think fit with power to deal with and vary investments.
- 11.6 To borrow money with or without security for the purpose of the Association on such terms as it may think fit and to pledge or mortgage the assets of the Association as security therefore.
- 11.7 To pay for any property, rights, privileges, goods or services acquired by or rendered to the Association.
- 11.8 To appoint, control and fix duties in terms of appointment of, and remove or suspend at its discretion any employees of the Association.
- 11.9 To institute, conduct and/or defend, settle or abandon in the name of the Association any legal proceedings by or against the Association and to compound debts due to the Association.
- 11.10 To sign or determine who shall be entitled to sign all documents on behalf of the Association.
- 11.11 To appoint such committees and sub-committees for any purpose within the scope of the objects of the Association as are not specifically appointed by the Board and to delegate its powers to such committees or sub-committees and to vary, add to, or amend such powers.
- 11.12 To invoke the assistance of professional, technical and academic experts and advisers as and whenever it may deem fit and on such terms and conditions and at such remuneration as it may determine.

- 11.13 To report to the Board upon its operations not less than four times in every year and at least once every four months.

12. MEETINGS OF THE EXECUTIVE COMMITTEE

- 12.1 The Executive Committee shall meet as and when occasion may require at such time and place as shall be appointed by the Chairman or, in his absence, by the Vice-Chairman, or in the absence of both, by the Secretary.
- 12.2 Three Committee members shall form a quorum if the total number of Committee members is six or less and four Committee members shall form a quorum if its total number be more than six.
- 12.3 No resolution or proposal shall be considered unless it is duly seconded and all resolutions and other matters shall be decided by a majority of the members present at a meeting, each member of the Committee being entitled to one vote only except the Chairman of the meeting who shall have a casting vote in addition to his deliberative vote in the case of an equality of votes.

13. VALIDITY OF RESOLUTIONS AND ACTIONS OF THE BOARD AND SUB-COMMITTEES

- 13.1 All resolutions of the Board and Executive Committee duly passed and rules and regulations duly made by the Board in terms of the Memorandum and Articles of this Association shall be binding upon the Association and every member to whom they apply.
- 13.2 All acts done at any meeting of the Board, Executive Committee or duly constituted sub-committee or by any person acting as a member of such body shall, notwithstanding that it be discovered later that there was some defect in the appointment of any of the persons acting at such meeting or of the person so acting as a member of such body or that any such person was disqualified, be as valid as if every person had been duly appointed and was duly disqualified.

14. REPRESENTATION ON SOUTH AFRICAN SUGAR ASSOCIATION

- 14.1 The Association's representation on the South African Sugar Association and its Council shall comprise so many delegates as are determined, and shall be generally regulated, by the Constitution of that Association.
- 14.2 Subject to the foregoing such delegates shall be appointed by a duly constituted meeting of the Board from among its number or the officers of the Association.

15. FINANCE

- 15.1 Money to meet the estimated requirements of the Association for each year after allowing for income from investments shall be determined by the Board or as may be provided by the levy of a rate per ton of cane delivered to millers by members of members or alternatively by such other means as may be provided in the Sugar Industry Agreement. Any levy or amount of money required shall be fixed by the Board; provided that any increase or decrease over the previous year shall be subject to approval at the Annual General Meeting.
- 15.2 Upon the request of the Association in writing, the miller shall be authorised to deduct the levy due to the Association from payments due to members of members in terms of the Sugar Industry Agreement and to pay it to the Association or it shall be paid in such other manner as may be provided in the Sugar Industry Agreement or in such other manner as the Board may determine from time to time.
- 15.3 When membership is acquired by an organisation during any financial year of the Association the members of the member shall become liable for payment of the levy on all cane delivered by the to a miller during that financial year or such other amount of money as determined by the Board irrespective of the date on which membership may be acquired.

16. FINANCIAL YEAR

The financial year of the Association shall commence on the 1st day of April in each year and end on the 31st day of March in the following year.

17. ACCOUNTS

17.1 The Executive Committee shall cause to be kept true books of account, complying with Section 284 of the Act.

17.2 Such books of account shall be kept at the office of the Association or at such other place as the Executive Committee shall think fit and in charge of the Secretary or other person duly authorised by the Executive Committee and shall always be open to inspection by members of the Board or Executive Committee.

17.3 At every Annual General Meeting an audited revenue and expenditure account and balance sheet for the preceding financial year accompanied by the Annual Report shall be presented. The Financial Statements shall be accompanied by a report as to the state of the finances of the Association.

18. AUDITOR

18.1 An auditor shall be appointed in terms of Section 270 and his duties regulated in terms of the Act.

18.2 The auditor's remuneration shall be fixed by the Association in General Meeting.

18.3 No member of the Association or member of a member may be appointed auditors.

18.4 The auditor shall have access to the books and accounts of the Association at all reasonable times and its officers shall be bound to give him such information as he may require for the purpose of discharging his duties.

19. OFFICIALS AND STAFF

The Executive Director or such other Senior Official and the Secretary or such other staff member as may be nominated by him, shall attend all meetings of the Association, the Board and the Executive Committee. The Secretary or his nominee shall discharge all duties which usually appertain to the office of Secretary. The Executive Director of the Association or such other Senior Official appointed by the Executive Committee shall have under his control such staff as the Executive Committee may deem necessary.

20. GENERAL MEETINGS

- 20.1 Annual General Meetings of the Association shall be held in accordance with the provisions of Section 179 of the Act at such times and places as the Executive Committee shall direct provided that the Annual General Meeting of the Association shall, if possible, be held before the Annual General Meeting of the South African Sugar Association.
- 20.2 All General Meetings, other than Annual General Meetings, shall be called General Meetings.
- 20.3 The Board or the Executive Committee may whenever it deems fit convene a General Meeting and shall on a requisition in terms of provisions of Section 181 of the Act or on a requisition duly signed on behalf of any two or more members be obliged to convene a General Meeting.
- 20.4 Every requisition shall specify the business for which that meeting is requisitioned and if it is to propose a Special Resolution, this intention shall be specified and the terms and effect of the Resolution and the reasons for it shall be stated therein.
- 20.5 At all general meetings of the Association, members shall be represented by a delegate who shall be one of the persons appointed by the Local Grower Council to which that member has appointed delegates in terms of Article 2.4. The Local

Grower Council shall designate which person appointed by it in terms of Article 2.19 is to represent a particular member of members and that nominee shall be deemed to be the representative of the member at all general meetings of the company in terms of Section 188 of the Act; provided, however, that nothing in this article contained shall deprive a member of its right to appoint any other person to represent it at general meetings or at a particular general meeting in accordance with the provisions of Section 188 of the Act.

20.6 Any delegate of a member or a member may give notice in writing to the Secretary before the 30th April in any year of any special business to be brought forward at the Annual General Meeting. The provisions of Article 20.4 shall apply mutatis mutandis to such notice.

21. NOTICE OF GENERAL MEETINGS

21.1 An Annual General Meeting, a meeting called for the passing of a Special Resolution and a meeting called on the requisition of two or more members and a General Meeting for any other purpose shall be called by not less than 21 clear days' notice in writing.

21.2 The notice shall specify the place, the day and the hour of the meeting, and in the case of special business, the general nature of that business and be posted by pre-paid post to the delegates and the Secretary of each member.

21.3 The notice convening an Annual General Meeting shall specify the meeting as such and give notice of any special business to be brought forward by a delegate or member of which such delegate or member has given the Secretary notice in terms of Article 20.6, and the notice convening a meeting to pass a Special Resolution shall specify the intention to propose the resolution as a Special Resolution, the terms and effect of the Resolution and the reasons for it.

21.4 In every notice convening a meeting to pass a Special Resolution to amend these articles there shall appear with reasonable prominence a statement that the delegate appointed to represent a member in terms of Article 20.5 is entitled to

appoint a proxy in terms of the relevant provision of Section 189 of the Act who may be any other delegate who is entitled to attend the meeting, to attend, speak and vote in his stead.

- 21.5 Any notice shall be deemed to have been served upon a delegate and the Secretary of a member on the day when it is posted by prepaid post to the delegate or member at the address of the delegate or member as registered in the records of the Association. A certificate by the Secretary that he has on any particular day caused any notice to be put out for posting in the place within the Association's offices where letters intended for posting are usually put out shall be conclusive proof that such notice was posted on that day.

22. PROCEEDINGS AT GENERAL MEETINGS

- 22.1 All business shall be deemed special that is transacted at a General Meeting and also all business that is transacted at an Annual General Meeting with the exception of noting apologies from absent members, confirming the minutes of the previous Annual General Meeting and intervening General Meetings, the consideration of the accounts and balance sheet and the report of the Board and auditors, the election of auditors and the fixing of their remuneration, and, after considering the estimates of expenditure for the ensuing year, the approval of any increase or decrease in the levy or amount of money required and the fixing of the remuneration to be paid to the members of the Board and Executive Committee and the Chairman and Vice-Chairman and to any other member of a member charged with a special task on behalf of the Association.
- 22.2 Subject to the right of the Chairman to vary it, the order in which special business shall be dealt with at the Annual General Meeting, shall be business raised by members in terms of Article 20.6 and such business under "General" as the Chairman may allow to be raised at the meeting itself, including the giving of notice by a delegate of business which he intends to introduce at a future General Meeting.

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- 22.3 No other business shall be transacted or introduced at a General Meeting than that for which it was convened.
- 22.4 No business shall be transacted at any general meeting unless a quorum of delegates is present when the meeting proceeds to business; save as is provided in these Articles twenty-five delegates personally present and entitled to vote shall form a quorum.
- 22.5 If within half an hour after the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same time and place seven days thereafter unless that day shall be a public holiday or Saturday when the date shall be the next business day following and if at such adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting, the delegates then present shall be a quorum.
- 22.6 Subject always to the provisions of Section 192 of the Act, the Chairman may adjourn a meeting from time to time and place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 22.7 The Chairman may require any motion to be submitted to a General Meeting to be reduced to writing.
- 22.8 Subject to the provisions of Article 27 and of Section 199 of the Act, all decisions of a General Meeting shall be by majority vote of all those present and entitled to vote. Voting shall be by a show of hands, or a division, or by voting slip. A declaration by the Chairman of the meeting that a resolution has, on a show of hands or a division, or by a voting slip, been carried unanimously, or by a particular majority or lost, and an entry to that effect in the Minute Book of the Association shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.
- 22.9 If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it be pointed

out at the same meeting and not in that case unless it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the resolution.

22.10 In the case of an equality of votes whether on a show of hands, a division or by voting slip the Chairman of the meeting shall be entitled to a second or casting vote.

23. VOTING AT GENERAL MEETINGS

23.1 On a show of hands or a division or by voting slip, every delegate who is present shall have one vote.

23.2 On a show of hands or a division a vote may be given at a General Meeting convened to pass a Special Resolution to amend these articles by a proxy.

23.3 A proxy must be a person qualified in terms of Article 21.4 and the instrument appointing him shall be in writing under the hand of the delegate.

23.4 The instrument appointing a proxy shall be in writing and in the following form or in any other form which the Executive Committee shall approve.

SOUTH AFRICAN CANE GROWERS’ ASSOCIATION

Incorporated Association not for Gain : Reg. No. 05/01125/08

I,ofdelegate to this Association, hereby appointofor failing him.....ofas my proxy to vote for me and on my behalf at a General Meeting of the Association to be held on theday of 19 and at any adjournment thereof as follows:

In favour of	Against	Abstain
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Resolution to
Resolution to

Resolution to

(Indicate instruction to proxy by way of a cross in space provided above)

Unless otherwise instructed, my proxy may vote as he thinks fit.

Signed thisday of 19....

SIGNATURE

(Note: A delegate entitled to attend and vote is entitled to appoint a proxy to attend, speak and vote in his stead, and such proxy need not also be a member of a member of the Association. A proxy may also attend, speak and vote at a General Meeting convened to amend these Articles.)

23.5 All instruments purporting to authorise persons to represent delegates at a General Meeting shall be lodged with the Secretary at least twenty four hours before the time fixed for holding the meeting at which the vote is to take place and any instrument not so lodged shall be treated as invalid for the purpose of the meeting unless a majority of the delegates present at such meeting shall waive compliance with this requirement.

23.6 A vote given in accordance with the terms of an instrument referred to in Article 23.4 shall be valid notwithstanding the previous death or insanity of the delegate, or revocation of the instrument or the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Secretary before the vote is given at the meeting or adjourned meeting at which the instrument is used.

23.7 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting, whose decision shall be final and conclusive.

24. EXPENSES OF DIRECTORS AND MEMBERS OF COMMITTEES

The Association in General Meeting, on the recommendation of the Board given in terms of Article 7(1), shall authorise the allowances to be paid to members or the Board and Executive Committee and to the Chairman and Vice-Chairman for the ensuing year, and to any member of a member who may be called upon by the Association to carry out any task, on behalf of the Association.

24.1 Every Director and Executive Committee member, manager, officer, secretary, servant and auditor of the Association shall be indemnified out of the funds of the Association against :

24.1.1 Any liability incurred by him in his capacity as such and not attaching to him by law in respect of any negligence, default, breach of duty or breach of trust of which he might be guilty in relation to the Association.

24.1.2 Any liability incurred by him in hi capacity as such in defending proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted, or in connection with any application under Section 248 of the Act in which relief is granted to him by the Court.

24.1.3 Provided that he is not guilty of any negligence, default, breach of duty or breach of trust in relation thereto, no Director or Executive Committee member, manager, officer, secretary, servant or auditor of the Association shall be liable for the acts, receipts, neglects or defaults of any other member or officer, or for loss or damage suffered by the Association through the insufficiency or deficiency of title to any property acquired for or on behalf of the Association or for the deficiency or insufficiency of any security in or upon which the Association's funds may be invested, or for any loss or damage arising from the insolvency or wrongful act of any person with whom any fund, securities or effects of the Association may be deposited.

25. AFFILIATION

- 25.1 Organisations formed for the purpose of promoting the interests of sugar cane growers and whose members are limited to persons who are cane growers but not members of a member of the South African Cane Growers' Association may apply for affiliated membership of the Association.
- 25.2 The Board may accept or reject any such application for affiliated membership.
- 25.3 In the event of the Board accepting an application for affiliated membership the Board shall upon such conditions as it may determine from time to time grant any properly constituted affiliated organisation such of the rights, privileges or services afforded to members of the Association as it may deem fit. The organisation to which such rights, privileges and services are to a greater or lesser degree afforded shall be deemed to be associated organisations affiliated to the South African Cane Growers' Association and shall be referred to as "affiliated members".
- 25.4 An affiliated member may give notice of its desire to terminate its affiliation and in that event the provisions of Article 7.14 will apply mutatis mutandis.
- 25.5 The Board may terminate the rights of any affiliated member and in that event the provisions of Article 7.14 will apply mutatis mutandis.
- 25.6 The Board shall determine the number of voting Directors which each affiliated organisation may be allocated on the Board which numbers shall as near as practical bear the same proportion to the total Directorate of the Board including enfranchised representatives of all affiliated members as the total tonnage of cane delivered by the members of each affiliated member during the period of three years immediately preceding the determination bears to the total tonnage of cane delivered by all members of all members and members of affiliated members during the same period.

25.7 The Board may elect the representatives of an affiliated member to any office of the Association.

25.8 The basis on which an affiliated member may be required to contribute to the finances of the Association shall be determined by the Board from time to time.

26. ALTERATION OF ARTICLES

The Association shall have the power to alter or add to these articles by a Special Resolution passed by not less than three-fourths of such delegates entitled to vote as are present in person or by proxy at a General Meeting convened for that purpose, provided that due notice has been given in terms of Article 21 and not less than one-fourth of the delegates of members of the Association entitled to vote are present in person or by proxy and subject further to the provisions of Section 199 of the Act.

27. GENERAL

If the provisions of these Articles are in any way inconsistent or in conflict with the provisions of any statute the provisions of such statute shall prevail and these Articles shall be read as in all respects subject to those provisions. In the event that there is a conflict between these Articles and any translation of these Articles, the provisions of the English version of these Articles shall prevail.