SOUTH AFRICAN COAL ASH ASSOCIATION

CONSTITUTION AND BY-LAWS

CONTENTS

1. THE ASSOCIATION

1.1 NAME: SOUTH AFRICAN COAL ASH ASSOCIATION (SACAA)

1.2 OFFICE

The office of the Association will be situated at whatever place the council may from time to time decide.

1.3 MISSION

The mission of the Association is "to promote the utilisation and exploit the unique characteristics and advantages of South African coal ash in the interest of the national economy and the natural environment".

1.4 STRATEGY

To promote collaboration between existing and potential producers, users, researchers, marketers and legislators in expeditiously achieving the stated mission.

1.5 OBJECTIVES

1.5.1 The sole objective of the Association is to advance the standard of knowledge and education in the field of coal ash, by promoting the development of the science and technology of the subject, and encouraging research in all areas that would utilize coal ash.

Substantially the whole of the activities of the Association shall be directed to the furtherance of the sole principal objective and not for the specific benefit of an individual member or minority group.

1.5.2 To hold meetings for the presentation of papers, and to publish literature approved by the Association.

1.5.3 To create a recognised standing for its members and to adopt any lawful means conducive to the setting up and maintenance of a high standard of ethical conduct amongst its members.

1.5.4 To establish, form and maintain a data base in connection with coal ash and to facilitate the acquisition of information for members.

1.5.5 To perform such other lawful functions as may be in the interest of the Association, its members and the coal ash industry.

1.5.6 The Association will address itself to the following main areas, by way of sub-committees, as needed:

- marketing and publicity
- processing;
- building and construction;
- natural environment and agriculture disposal;
- alternative uses.

1.5.7 Sub-committees will operate as sub-sections of the council, who will in turn be responsible to the council.

1.6 FUNCTIONS AND POWERS

1.6.1 The activities of the Association shall be directed to the furtherance of its objectives.

1.6.2 The Association may take such steps as may be deemed necessary and expedient to promote and implement its objectives, including the regulation of the professional and ethical conduct of its members.

1.6.3 No single person may directly or indirectly control the decision-making powers relating to the Association

1.6.4 The Association shall not:

1.6.4.1 carry on any trading or other profit-making activities, or participate in any business, professional or occupation carried on by any of its members, or provide any of its members with financial assistance, premises, continuous services or facilities for the purpose of carrying on any business, profession or occupation,

1.6.4.2 have a share or other interest in any business, profession or occupation which is carried out by members,

1.6.4.3 undertake any activity that will directly or indirectly promote the economic self-interest of any fiduciary or employee of the Association otherwise than by way of reasonable remuneration,

1.6.4.4 pay any remuneration, as defined in the Fourth Schedule of Tax Act No 58, 1962, to any employee, office bearer, member or other person which is excessive having regard to what is generally considered reasonable in the sector and in relation to the service rendered and has not and shall not economically benefit any person in a manner which is not consistent with the objectives of the Association.

1.6.4.5 distribute any of its profits or gains to any persons and utilize its funds solely for investments or the furtherance of its objectives.

1.7 DISSOLUTION

Upon the winding up or liquidation of the Association or within six months from the withdrawal of its tax exemption, (or such longer period as the Commissioner may allow), transfer all its assets remaining after satisfaction of its liabilities to:

(a) another entity with similar objectives and which is approved in terms of section 10(1)(d)(iii) or (iv) of the Income Tax Act 28, 1962;

(b) a public benefit organization approved in term of section 30 of the Act;

(c) any institution, board or body approved in terms of section 10(1)(cA)(i) of the Act; or

(d) any department of state or administration in the national or provincial or local sphere of government of the Republic of South Africa, contemplated in section 10(1)(a) or (b) of the Act, which is required to use those assets solely for purposes of carrying on one or more public benefit activities.

2. MEMBERSHIP

This clause is to be read with Clause 5: BYLAWS

2.1 GRADES OF MEMBERSHIP

The Association will consist of honorary members, ordinary members, corporate members with or without vested interest, student and pensioner members as defined in **2.1.1** to **2.1.5**.

2.1.1 HONORARY MEMBER

An honorary member is a person who has rendered outstanding service to the Association or to the coal ash industry and whom the Association desires to honour for outstanding services. Honorary members will have free access to the Association's functions where fees are charged: e.g. symposia and workshops.

2.1.2 ORDINARY MEMBER

An ordinary member is a person who has a *bona-fide* interest in coal ash who is at least 18 years of age.

2.1.3 CORPORATE MEMBER

A corporate member is any organisation or institution with a *bona-fide* interest in coal ash or in promoting the aims of the Association. Each corporate member is entitled to nominate representatives as members of the Association in proportion to the membership fee paid by the ordinary member.

2.1.4 STUDENT MEMBER

A student member is a *bona–fide* full-time, non-income earning undergraduate. A student member is admitted on a temporary basis and must re-apply annually to council. A student member is entitled to receive notification of all of the Association's activities and may participate in these activities except that he/she will have no vote nor will be eligible for elective office.

2.1.5 PENSIONER MEMBER

An ordinary member who has reached 65 years of age and no longer is in full-time employment or business.

2.2 MEMBER INTEREST

No member may directly or indirectly have any personal or private interest in the Association.

2.3 VOTING

The right of voting will be limited to members of the Association who are in good standing.

2.4 ADMISSION

A candidate for admission to membership, or for transfer from one grade into another, will be asked to submit his/her application with a supporting motivation. Admission is at the discretion of the council.

2.5 ENTRANCE FEES AND SUBSCRIPTIONS

Levies on and amendments to entrances fees and annual subscriptions are set by vote at an annual general meeting or special general meeting of members

2.6 RESIGNATION

A member may resign from the association by submitting to the Administrator a written resignation and submitting any dues outstanding to the Association

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2.7 DISCIPLINARY ACTION

The Council has the right either to suspend any member from the privileges of membership, subject to such conditions as it may deem fit, or to expel from the Association any member who has committed an offence or be guilty of any conduct which, in the opinion of Council, renders that person unfit to be associated with the Association.

2.8 FORFEITURE OF RIGHTS

Cessation of membership of the Association entails forfeiture of all rights, titles and interest in the funds, properties and assets of the Association and right to participate in the Association's affairs.

2.9 LIABILITY OF MEMBERS

The liability for the debts and engagements of the Association is limited to the amount of any unpaid subscription.

2.10 INDEMNITY

No member acting in good faith and within the scope of his/her authority shall incur personal liability by reason of his membership of the Association.

3. THE COUNCIL

This clause is to be read with Clause 5: BYLAWS

Subject to the constitution and in conformity with the by-laws, the management of the Association is vested in the Council who in turn elects the office bearers.

3.1 OFFICE BEARERS

The Council will consist of the following office bearers who must be unconnected in relation to each other:

3.1.1 President

3.1.2 Vice-president

3.1.3 Treasurer,

and the following members:

3.1.4 Chairman of sub-committees

3.1.5 Immediate Past-president

3.1.6 Corporate representatives (one for each corporate member)

3.1.7 Any additional members as the Council may deem necessary

3.2 ELIGIBILITY FOR ELECTION TO OFFICE

The office bearers of the Association shall be members of the Association in good standing (no member is eligible for election as President or Vice-president unless he has served on the Council for at least one year).

3.3 ELECTION OF COUNCIL

The Council will be elected annually by ballot of members.

3.4 CO-OPTING

The Council, upon assuming office, will have the power to co-opt members.

3.5 VACANCIES

The Council has the power to fill any vacancy on the Council. A member, so co-opted, will hold office for the remaining portion of the financial year.

3.6 HONORARY OFFICE BEARERS

The Council has the power to appoint honorary office bearers for the current term of office.

3.7 ADMINISTRATOR

The Council has the power to appoint an Administrator and other office bearers and to remunerate them. Such officers will hold office during the tenure of the Council and they will perform such duties as the Council sets forth in terms of the appointment.

3.8 PERIOD OF OFFICE

No member will hold the office of President for more than two consecutive years unless there is no other Council member willing or able to fill this post.

3.9 FORFEITURE OF COUNCIL MEMBERSHIP

Should any member of Council frequently absent him/herself without leave from council meetings, he/she may at the discretion of Council be requested to forfeit his/her seat on Council.

3.10 MEETINGS

3.10.1 CHAIRMAN

The President, or in his absence the Vice-president, or in the absence of both a member of Council elected by the meeting, takes the chair at all meetings of the Council.

3.10.2 VOTING PROCEDURE

At meetings of the Council, all matters shall be decided by majority vote, providing that where matters are discussed of which due notice is not given at a previous meeting, or not on the agenda, then at the request of a member present supported by a seconder, voting will be postponed until the next meeting when notice of the matter thus postponed shall appear on the agenda.

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3.10.3 CASTING VOTE

The Chairman/President has an ordinary vote, and in the event of an equality of votes, a casting vote.

3.10.4 MINUTES

The Council shall keep minutes of all meetings of the Council, Association and various committees.

3.11 DUTIES

3.11.1 ASSETS AND ACCOUNTS

(a) Substantially the whole of the Association's funding shall come from its annual or other long-term members or from an appropriation by the government, a provincial administration or a municipality.

(b) The funds of the Association shall be utilised exclusively within South Africa.

(c) The President, Vice-president and Treasurer shall accept the decision-making and the fiduciary responsibility for all assets, properties and funds of the Association. These shall be held and registered in the name of the Association and be held in trust and administered by the council on behalf of the Association.

(d) Proper account will be kept by the Administrator of all moneys received and expended and of all assets and liabilities of the Association.

(e) The Treasurer will annually prepare and have audited a balance sheet and an income and expenditure account for submission to, and approval by, the annual general meeting. These must be submitted annually to the Receiver of Revenue on the prescribed form.

(f) The Association shall not directly or indirectly distribute any of its funds or assets to any person other than in the course of furthering its objectives as mentioned in Clause 1.5, unless expressly otherwise provided for in SARS regulations.

(g) The Association shall utilize substantially the whole of its funds for the sole principal objective for what it has been established.

3.11.2 MEMBERSHIP REGISTER

The Administrator shall keep a register of the names, addresses and grade of membership**.**

3.11.3 BY-LAWS

The Council may frame by-laws, which must be consistent with the provision of the constitution for the conduct of the business and the management of the affairs of the Association. The by-laws may at any time be added to, repealed or amended by the Council. All members shall be notified of such alteration and/or additions in a manner to be decided by the Council.

3.11.4 SIGNATORIES

All documents and instruments required to be signed on behalf of the Association shall be signed by an authorised person or persons serving on Council.

All financial transactions shall require the signature of any two of the following: President, Vice-president, Treasurer or the nominated alternative of any one of the three.

3.11.5 APPOINTMENT OF COMMITTEES AND REPRESENTATIVES

The Council has the power to appoint the necessary sub-committees and representatives as it deems necessary.
The President will be an ex-officio member of all committees.

4. MEETINGS OF THE ASSOCIATION

4.1 VENUE OF MEETINGS

Meetings will be held at such places in South Africa as the Council may decide.

4.2 ORDINARY GENERAL MEETINGS

Ordinary general meetings of the Association will be held on such dates as set by the Council.

4.3 ANNUAL GENERAL MEETINGS

Annual general meetings will be held as soon as possible but within two months after the end of the financial year, which ends on 30 June each year, on a date decided by Council, to receive and consider the President's report, Treasurer's report and the audited revenue and expenditure account and balance sheet, to announce the current membership and elect the Council for the ensuing year and to conduct any relevant business.

4.4 SPECIAL GENERAL MEETINGS

All meetings of the Association other than those detailed in clauses4.2 and 4.3 will be designed special general meetings and only such business as that specified in the notices convening these meetings will be transacted thereat.

4.4.1 The Council may at any time convene a special general meeting.

4.4.2 The Council shall convene a special general meeting within thirty days upon the written application of not fewer than ten members in good standing, providing such application specifies the objective for which the meeting is required.

4.5 NOTICE OF MEETINGS

Notices convening all general meetings shall be dispatched to members not less than ten days prior to the date determined for such a meeting.

4 6 VOTING

4.6.1 All members, including those nominated by corporate members, are entitled to one vote each at an Association meeting.

4.6.2 The chairman of such meetings has a deliberative, casting vote.

4.7 QUORUM

4.7.1 There will be no quorum for ordinary general meetings, but for annual general meetings and special general meetings the quorum shall be fifteen members.

4.7.2 If at a meeting a quorum is not present, the meeting will be adjourned and a follow-up meeting will be held within seven days thereafter at a time and place determined by the Council and at such adjourned meeting the members present shall form a quorum.

5 BYLAWS

5.1 APPLICATION FOR MEMBERSHIP

An application for membership to the association or transfer to another grade must be made on the prescribed form, must be forwarded to the Administrator duly completed and accompanied by all necessary supporting documents.

5.1.1 ADMISSION AS MEMBER

Every applicant for admission will be duly notified by the Administrator when approved but, his/her admission will not be confirmed until the applicant has paid the fees due to the Association.

5.1.2 SUBSCRIPTIONS

The annual subscriptions will become due on the first day of July each year. The subscription levels will be reviewed annually at the annual general meeting.

5.1.3 REMISSION OF SUBSCRIPTION

In any special case the Council may, at its discretion, reduce or waive the subscription of any member.

5.1.4 DEFAULTER

Any member whose annual subscription remains unpaid for one year may, by resolution of the Council, be excluded from membership of the Association. Notice in writing, drawing attention to this by-law shall be sent to the defaulting member three months prior to the termination of the period mentioned.

5.1.5 REINSTATEMENT OF MEMBER

Any person whose membership has ceased may be re-instated at the discretion of the Council on such terms as the Council may decide.

5.1.6 CHANGE OF ADDRESS

Members of the Association shall notify the Administrator in writing of any change of address.

5.2 ADJOURNMENT OF MEETINGS

The Chairman/President may adjourn any meeting with the consent of the majority of members present.

5.3 NOMINATIONS FOR COUNCIL

5.3.1 Members of Council will be nominated by members of the Association who are in good standing; they will each be entitled to nominate not more than five candidates.

5.3.2 A notice calling for nominations for the council shall be sent to members not less than thirty days prior to the date of the annual general meeting. All such nominations shall be lodged with the Administrator not less than twenty days prior to the date of the annual general meeting.

5.3.3 On receipt of the nominations for the Council the Administrator shall notify each nominee, request his/her acceptance or otherwise of such nomination within ten days and, failing acceptance, such nomination shall be void.

5.3.4 A ballot will be taken at the AGM by the members present. Should the nomination list for the members to be elected to Council not include sufficient names as required to fill vacancies on Council, the Council shall nominate qualified members to complete the list, and the members nominated shall be declared elected at the annual general meeting.

6. RECIPROCITY

The privileges of the association may be extended to members of overseas professional societies visiting the Republic of South Africa for their length of stay.

7. AMENDMENTS TO CONSTITUTION

7.1 This constitution may be amended at an annual general meeting or a special general meeting of the Association by a two-thirds vote of the members present or their proxies. A copy of the proposed amendments shall be mailed to each member not less than one month prior to such a meeting.

7.2 Any alterations, amendments, deletions or additions to the constitution shall be submitted within 30 days of its amendment to the Tax Exemption Unit (TEU) for approval in order to confirm that such alterations, amendments, deletions or additions do not infringe on the Association's privileged tax status.

END

V6/VPH/JANUARY 2008
Final Review JK/DH July 2008
Approved at AGM, Aug. 2008
Confirmed by acceptance of Minutes of 2008 AGM at 2009 AGM, Aug 2009
Draft revision, March 2010, incorporating SARS's Tax Exemption Unit requests.
Draft of further "polishing revisions" Version 7April 2010
SARS approval received 3 June 2010 (e-mailed)
Verified by SACAA Council on 28 July 2010
Submitted for approval by members at AGM on 18 Aug. 2010
Approved by members on 18 August 2010

Signed President **Signed Vice-President**

Dr Richard Kruger **Dr Wayne Truter**

Midrand, Gauteng 18 August 2010