

# THE FRIENDS OF STEENBOK NATURE RESERVE TRUST

(formed as "the Northern Shores Development Trust"  
at Knysna on 15 June 2007)

## CONSTITUTION

(as amended by the incorporation of clause 15 following on the Annual General Meeting of the Trust held at Knysna on 22 December 2008 and as amended following on the Annual General Meeting of the Trust held at Knysna on 11 March 2010)

### 1. NAME / FORMATION

The Trust shall be called "**THE FRIENDS OF STEENBOK NATURE RESERVE TRUST**" (hereinafter referred to as the "The Trust") and was formed on 15 June 2007 as "the Northern Shores Development Trust" on the subscription to this constitution by Roger William Voysey and Peter James Godsell.

### 2. OBJECTIVES

The objectives of the Trust shall be :

- 2.1 as a primary objective and to the extent that it is lawful for the Trust to do so, to engage in the conservation, rehabilitation or protection of the natural environment in respect of the northern shores of Leisure Island, Knysna (hereinafter referred to as "the Reserve"), including the flora, fauna and the biosphere in relation thereto and the promotion of, and education and training programs relating to environmental awareness, greening, clean up or sustainable development projects in relation thereto, all for the benefit of all of Knysna's residents and visitors and to ensure that the natural heritage of the area is nurtured and protected for the benefit of current and future generations;
- 2.2 as a secondary objective and to the extent that it is lawful for the Trust to do so, to:
  - 2.2.1 nurture and protect the natural beauty of the Reserve;

- 2.2.2 create and maintain a place of enjoyment for all whilst recognizing the protocols which are applicable in nature conservation areas;
  - 2.2.3 establish and maintain on the Reserve representative plant communities as found in similar eco locations along the Garden Route;
  - 2.2.4 protect plant life indigenous to Leisure Isle, Knysna and the salt marsh community thereon;
  - 2.2.5 introduce and maintain related training and research programs to give effect to the foregoing;
- 2.3 as a third objective, to manage, on behalf of the Leisure Isle Residents' Association ("the Association"), the Association's responsibilities in terms of the written Joint Venture Agreement concluded between the Association and the Knysna Municipality on 6 February 2006 (a copy of which is hereto marked "A") and any subsequent agreement provided that the Association and the Knysna Municipality consent in writing to such management.

### 3. **LEGAL STATUS**

- 3.1 The Trust shall be a universitas with perpetual succession having an existence separate from its members, capable of suing and being sued and holding property in its own name.
- 3.2 The Trust shall be a non-profit organization and shall not make any distribution of any kind to members.
- 3.3 Any assets of the Trust shall vest in and belong to the Trust and the members shall have no personal rights in regard thereto.

### 4. **POWERS OF THE TRUST**

In order to achieve its objectives, the Trust shall have the power to:

- 4.1 institute, conduct, defend, settle or abandon any legal proceedings either by or against it;

- 4.2 purchase, lease or in any other way acquire moveable or immoveable property of whatever description, and to obtain licenses, authorisations or consents which may be necessary for the achievement of the objectives of the Trust;
- 4.3 administer, insure, sell, let, mortgage, alienate, exchange, exploit, develop, maintain, improve and utilise all or any of its assets, and to deal with them in any manner whatsoever;
- 4.4 borrow money;
- 4.5 secure the performance of the obligations of the Trust in any manner including mortgaging, hypothecating and pledging of its assets.
- 4.6 lend money to any person on such terms as the Trust may determine;
- 4.7 invest money in any manner, and to withdraw and re-invest such investments;
- 4.8 open bank accounts and to operate and overdraw such bank accounts. Provided that for purposes only of the opening of the first bank account of the Trust and notwithstanding anything to the contrary in this Constitution contained, the first two members who subscribe to this Constitution shall be entitled to do so notwithstanding that such members may not have been appointed as trustees of the Trust in accordance with the provisions of clause 8 below;
- 4.9 draw, accept, endorse, make and execute cheques, bills of exchange, promissory notes or other negotiable instruments necessary for obtaining the objectives of the Trust;
- 4.10 grant indemnities, guarantees and suretyships;
- 4.11 appoint employees, advisers, consultants, agents contractors and security companies and terminate their service;
- 4.12 establish and maintain one or more reserve funds to provide money to the Trust to pay any expenses incurred by it in the exercise of its objectives;
- 4.13 make, vary and repeal rules for the regulation of the Trust and its members, officials, employees, contractors, agents and advisers;

- 4.14 do everything necessary or requisite including entering into contracts of agreement, in order to give effect to the abovementioned powers and objectives of the Trust.

## 5. MEMBERS

- 5.1 The members of the Trust shall consist of:

- 5.1.1 founder members, being the members who donate a minimum sum of R20,000.00 to the Trust;
- 5.1.2 life members, being members who donate a minimum sum of R10,000.00 to the Trust;
- 5.1.3 ordinary members, being members who donate a minimum sum of R250.00 to the Trust and thereafter make an annual donation to the Trust of R250.00 or more;

all of whom have subscribed to the constitution of the Trust.

- 5.2 The Trust shall keep a register of its members.

## 6. DUTIES OF MEMBERS

A member shall:

- 6.1 as far as possible endeavor to attend all general meetings;
- 6.2 not contravene or permit the contravention of any law, by-law, ordinance, proclamation, statutory regulation or the conditions of any license relating to or affecting the Trust;
- 6.3 faithfully observe the rules of the Trust which are in force from time to time;
- 6.4 support at all times the objectives of the Trust.

## 7. GENERAL MEETING OF MEMBERS

- 7.1 The Annual General Meeting:

- 7.1.1 shall be the highest authority of the Trust;

7.1.2 shall be held once every year within 6 months of the year end which shall be 30 September in each year;

7.1.3 shall have as its function:

7.1.3.1 the reading and adoption of the minutes of the previous annual general meeting and any extraordinary general meeting which may have been held;

7.1.3.2 the consideration and approval of the financial statements and report of the Trust's trustees pertaining to the affairs of the Trust during the preceding financial year.

7.1.3.3 the approval of the budget for the succeeding financial year;

7.1.3.4 the election of the Trust trustee members in terms of Clause 8.1.1.1 below;

7.1.3.5 the election of the Management Committee members in terms of Clause 9.2 below;

7.1.3.6 to the handling of any other special business of which due notice has been given.

7.2 An extraordinary general meeting:

7.2.1 shall be called:

7.2.1.1 on written request of ten or more members of the Trust;

7.2.1.2 if the Trust's trustees so call a meeting;

7.2.2 shall only transact business for which it shall have been convened.

7.3 Annual general meetings and extraordinary general meetings shall be conducted as follows:

- 7.3.1 no business shall be transacted at the general meeting unless a quorum of members is present in person or by proxy at the time the meeting proceeds to business;
- 7.3.2 a quorum at a general meeting shall be at least ten members in good standing, present in person or by proxy;
- 7.3.3 should a quorum not be present within ten minutes of the scheduled time of the meeting then the meeting shall be adjourned to the same day and time one week later. If a quorum is not present at such adjourned meeting then the meeting shall proceed as though a quorum is present and shall have the same powers as if a quorum were present;
- 7.3.4 voting shall be by way of a ballot unless the Chairman decides otherwise and each member present in person or by proxy shall only be entitled to one vote;
- 7.3.5 all resolutions shall be passed by a majority vote of the members present in person or by proxy;
- 7.3.6 a proxy must be a member of the Trust.
- 7.3.7 meetings shall be called with at least 10 (ten) days notice given to members per email or post and per blackboard notice at the entrance to Leisure Island.

## 8. TRUST'S TRUSTEES

8.1 The Trust's trustees:

8.1.1 shall consist of:

8.1.1.1 five members of the Trust appointed by members;

8.1.1.2 two persons appointed by the Leisure Isle Residents' Association;

8.1.1.3 a person appointed by the Knysna Municipality;

8.1.2 shall be the executive power of the Trust and perform the duties and powers of the Trust subject to the provisions of this Constitution and

to any restriction imposed or direction given at a general meeting of the members.

8.2 The trustees shall act in an honorary capacity and shall not be compensated for work done.

8.3 The trustees appointed by the Trust shall be elected at each annual general meeting and shall hold office until the next succeeding annual general meeting, but shall be eligible for re-election.

8.4 Nominations by members for the election of the trustees at any annual general meeting shall be given in writing, accompanied by the written consent of the persons nominated, so as to be received at the office of the Trust no later than 48 (forty eight) hours before the meeting, provided that should there be no or insufficient duly accepted nominations before the meeting nominations may be called for and accepted at the meeting.

8.5 The trustees may fill any vacancy in their number. Any trustee so appointed shall hold office until the next annual general meeting when he shall retire and be eligible for re-election as though he had been elected at the previous general meeting.

## 9. **MANAGEMENT COMMITTEE**

9.1 The Management Committee shall consist of 8 (eight) members of the Trust elected at an annual general meeting. Provided that the written nominations for election and the written acceptances of the nomination shall have been received at the offices of the Trust no less than 48 (forty-eight) hours before the meeting. Provided that should there be no or insufficient duly accepted nominations before the meeting, nominations may be called for and accepted at the meeting.

9.2 The function of the Management Committee is to support and assist the Reserve Manager, appointed by the Association in terms of the Joint Venture Agreement referred to in sub-clause 2.3 above, in developing, maintaining and promoting the Reserve.

9.3 The Management Committee members:

9.3.1 shall act in honorary capacities and shall not be compensated for any work done;

9.3.2 shall hold office until the next succeeding annual general meeting and shall be eligible for re-election; and

9.3.3 may fill any vacancy in their numbers. Provided that any so appointed committee members shall hold office until the next succeeding annual general meeting and shall be eligible for election as committee members.

## 10. **ANNUAL BUDGET**

10.1 Each year, the Trust's trustees shall prepare an annual budget of the Trust for the succeeding financial year, which shall estimate the amount of expenses that are anticipated to be incurred during such year against the funds on hand of the Trust and any estimated income of the Trust.

10.2 A copy of the proposed budget shall be presented at the annual general meeting.

10.3 The budget shall be subject to the approval of the members.

## 11. **RECORDS**

11.1 The Trust's trustees shall keep an up to date record of the rules and on the application of a member supply to such member a copy of the rules.

11.2 The Trust's trustees shall:

11.2.1 keep minutes of trustees' meetings;

11.2.2 cause minutes to be kept of all general meetings of the Trust in the minute book of the Trust;

11.2.3 include in the minute book of the Trust a record of every resolution of the Trust;

11.2.4 The Trust's trustees shall keep all minutes in perpetuity.

11.3 On the written application of a member, the Trust's trustees shall make all minutes of their proceedings and of the Trust available for inspection by such member.

11.4 The Trust's trustees shall cause proper accounts and records to be kept so as to fairly explain the transactions and financial position of the Trust, including:

11.4.1 a record of the assets and liabilities of the Trust;

11.4.2 a record of all moneys received and expended by the Trust and the matters in respect of which such receipt and expenditure occurred.

11.5 On the application of any member, the Trust's trustees shall make all or any of the accounts and records available for inspection by such member.

11.6 The Trust's trustees shall cause all accounts and records to be retained for a period of 5 (five) years after completion of the transactions, acts or operations to which they relate.

## 12. **RESIGNATION OF A MEMBER**

Any member wishing to resign from the Trust must notify the trustees in writing of this.

## 13. **EXPULSION OF A MEMBER**

In the event of a member contravening any of the provisions of this Constitution, or in the event of a member acting to the detriment of the Trust, the Trust's trustees shall write to the member advising him of this fact and giving him 21 (twenty one) days within which to make good for the transgression or, if he does not agree that he has contravened the Constitution, to ask the trustees in writing for a hearing. Should he fail to respond or remain in default after 21 (twenty one) days, the trustees may give him written notice of terminations of his membership with immediate effect.

## 14. **AMENDMENTS TO THE CONSTITUTION**

14.1 This Constitution may be amended only at an annual general meeting or special general meeting convened for this purpose.

14.2 Notice of any proposed amendment shall appear on the agenda and shall specify which clause of the Constitution it is proposed to amend and shall indicate clearly what should be omitted or inserted.

14.3 This Constitution may be amended only by a two thirds majority vote of those members in attendance in person or by proxy at the annual general meeting or special general meeting at which the motion is proposed.

**15. WINDING UP OF TRUST**

In the event that the Trust fails to perform satisfactorily or in any way to meet its objectives the trustees or any group of ten or more members may call a special general meeting for the purpose of winding it up. Assets of the Trust will be sold by public auction after being advertised in the local press for two weeks prior thereto. Any surplus funds remaining after settling the liability of the Trust will be donated to an organization with similar objectives to those of the Trust.

**16. INCOME TAX EXEMPTION**

The Trust has been granted income tax exemption in terms of section 10(1)(cN) of the Income Tax, 1962 (Act No. 58 of 1962), as amended and the following provisions apply in respect of such exemption:

- 16.1 No activity of the Trust will directly or indirectly promote the economic self-interest of any fiduciary or employee of the Trust otherwise than by way of reasonable remuneration.
- 16.2 At least 3 (three) persons who accept fiduciary responsibility for the Trust will not be connected persons in relation to each other and no single person directly or indirectly will control the decision making powers relating to the Trust.
- 16.3 No funds will be distributed to any person (other than in the course of undertaking any public benefit activity) and the Trust is required to utilize its funds solely for the objects for which it has been established.
- 16.4 On the dissolution or winding-up of the Trust the remaining assets of the Trust shall, notwithstanding the provisions of clause 14 above, be transferred to:
  - 16.4.1 any similar public benefit organization which has been approved in terms of section 30 of the Income Tax Act;
  - 16.4.2 any institution, board or body which is exempt from the payment of income tax in terms of section 10(1)(cA)(i) of the Income Tax Act and which has as its sole or principal object the carrying on of any public benefit activity; or
  - 16.4.3 any department of state or administration in the national, provincial or local sphere of government of the Republic of South Africa as contemplated in Section 10(1)(a) and (b) of the Income Tax Act;

- 16.5 No donation will be accepted which is revocable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation, including any misrepresentation with regard to the tax deductability thereof in terms of section 18A of the Income Tax Act provided that a donor (other than a donor which is an approved public benefit organization or an institution, board or body which is exempt from tax in terms of Section 10(1)(cA)(i) which has as its sole or principal object the carrying on of any public benefit activity) may not impose any conditions which could enable such donor or any connected person in relation to such donor to derive some direct or indirect benefit from the application of such donation.
- 16.7 A copy of all amendments to this Constitution will be submitted to the Commissioner for the South African Revenue Services.
- 16.7 no remuneration paid 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 services rendered and does not and will not economically benefit any person in a manner which is not consistent with the objects of the Trust.
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