

CONSTITUTION

OF



*Section 21 Company registration: 2006/007204/08 – 14 Orange Street, Sunnyside Auckland's Park – Johannesburg,
South Africa 2000*

**ASSOCIATION OF INDEPENDENT RECORD COMPANIES
OF SOUTH AFRICA**

("AIRCO")

As adopted at the Special Annual General Meeting of <date>

Preamble to Constitution

We the members of the Association of Independent Record Companies of South Africa resolve that we:

- Commit ourselves to realizing the true potential of the South African music recording sector.
- Believe that AIRCO as the major stakeholder driven by the independent recorded music sector will be a key driver to align the music industry to the national vision of South Africans accruing economic benefit from a vibrant South African cultural industry.
- Support the successful transformation of the cultural industries which will see increased ownership of the entire cultural industries' value chain, production, distribution and most importantly ownership fall into the hands of South Africans.
- Recognize that the South African recording industry is not merely an economic driver and potential income generator both locally and internationally but deals with intellectual property related to the representation of a South African identity.
- Commit ourselves to transformation of the sector, skills development, broad based black economic empowerment, fair trade, market access for emerging companies and support strategies to unlock the potential of the South African music.
- Our underpinning philosophy is that South African record companies need to align themselves to the global context of the battle for cultural, social and economic rights as we give life to cultural diversity within our country.
- Commit ourselves to the preservation, conservation and promotion of South African culture, language and diversity through our music business and in so doing will strive to foster market access, wealth creation and activate lobbying of the public and private sectors in the interests of independent creators of indigenous music.

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CHAPTER 1: DEFINITIONS

1. **"AGM"** shall mean the Annual General Meeting of the Association
2. **"Association"** shall mean the Association of Independent Record Companies of South Africa ("AIRCO"), a section 21 company duly registered in accordance with the company of the Republic of South Africa under registration number 2006/007204/08;
3. **"Board of Directors"** shall mean the Board of Directors of the AIRCO.;
4. **"Board of Trustees"** shall mean the Board of Trustees of AIRCO Trust as appointed from time to time;
5. **"CIPC"** shall mean the Companies and Intellectual Property Commission established in terms of Companies Act 71 of 2008.
6. **"Chairperson"** shall mean any person holding an elected position of the Chairperson of the Association and shall include the person who holds the office of the chairperson from time to time;
7. **"Committees"** shall mean the committees comprising of the individual members of the Association, shall by the Board of Directors from time to time for the purpose of examining, investigating and subsequently reporting on the specific assigned functions and activities;
8. **"Constitution"** shall mean this constitution of the Association as amended from time to time;
9. **"Executive Committee"** shall mean the Executive Committee of the Association;
10. **"Staff"** shall mean any person employed by the Board of Directors and designated to work at the office of the Association;
11. **"Trust"** shall mean AIRCO Trust duly registered in accordance with Registrar of Deeds with the name AIRCO Trust under registration number **IT20270/2014** .

CHAPTER 2: NAME AND LEGAL STATUS

ARTICLE 2.1: NAME

1. The Association shall be known as "Association of Independent Record Companies of South Africa" and hereinafter shall be referred to as "the Association";
2. It's shortened name shall be abbreviated as "AIRCO".

ARTICLE 2.2: EMBLEM

The emblem of the Association shall be as follows:



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BYLAW 2.2.1 RESTRICTIVE USE

1. The use of the name and emblem shall be limited to groups formally recognised by the Association, the Trust and members duly affiliated with the Association;
2. The right to use the name and emblem shall be automatically and forthwith forfeited on termination of any member's affiliation or any such group's formal recognition.

ARTICLE 2.3: LEGAL STATUS

In line with the above purposes, The Association shall be registered as a Not for Profit Organisation in terms of the Non-Profit Organisations Act No. 71 of 1997.

CHAPTER 3: PURPOSE AND OBJECTIVES

ARTICLE 3.1: MISSION

AIRCO's mission shall be "To pro-actively serve and represent the interests and development of the South African independent record labels across the country and the world."

ARTICLE 3.2: VISION

AIRCO's vision shall be "To have independent record label occupying the biggest market share, independent artists and their music get greater visibility, and national and international policies adequately provide market access and cultural diversity."

ARTICLE 3.3: OBJECTIVES

The objectives of the Association are:

- a) To ensure compliance with legislation and influences legislation affecting the Association.
- b) To ensure financial sustainability of the organisation through projects aimed at increasing the financial resources of the Association.
- c) To promote the business affairs of members through equitable commercial terms in the industry and promote access to markets.
- d) To ensure licence income generated from usage of sound and video recordings controlled by our members accrues to rights owners and performers
- e) To promote promotional opportunities and exposure for local music on radio and television (local content).
- f) To promote commercial activity for members through on-line and digital business.
- g) To increase awareness of the AIRCO business in the market through marketing, recruitment and communication
- h) To ensure South African music representation internationally
- i) To promote South African cultural identity through music
- j) To actively undertake social and economic transformation in the music industry and partake of structures promoting similar objectives.
- k) To undertake skills development initiatives for its members and staff

ARTICLE 3.4: POLITICS AND RELIGION

The Association shall refrain from any partisan politics and sectarian or religious activities. This shall not be construed as a prohibition upon any member from engaging in political or religious activities.

CHAPTER 4: MEMBERSHIP

ARTICLE 4.1: FULL MEMBERSHIP

1. Full membership shall be open to all persons (natural or juristic) and institutions operating as independent music record companies or persons, subject to the rules of eligibility for full membership.
2. By their application for membership, members shall be deemed to undertake to conform to the aims and objectives of the Association and such codes of conduct as the Association shall prescribe from time to time.

BYLAW 4.1.1 ELIGIBILITY FOR FULL MEMBERSHIP

A full member must comply with any of the following requirements:

- a) warehouse and distribute records and/or music DVDs in South Africa;
- b) produce or manufacture records and/or music videos in South Africa;
- c) have a place of business and controlling interest in South Africa;
- d) conform to the industry standards
- e) not been found guilty by a CIPC to have infringed copyright law in sound recording or musical composition.

BYLAW 4.1.2 REQUIREMENTS

Application for membership shall be lodged in writing with the administrative office of the Association. Such application must be accompanied by:

- a) Duly completed membership applications form;
- b) Proof of payment of membership subscription;
- c) Copy of company registration documents;
- d) Proof of residence for the member;
- e) Certified copies of ID/s in case of natural persons and Directors or Members of a juristic person;
- f) A minim of three (3) samples products

BYLAW 4.1.3 APPROVAL

1. Every application for membership shall be directed to the administration office of the Association and shall be accepted upon approval by the Executive Committee.
2. Acceptance or rejection of membership shall be the discretion of Executive committee.
3. Any member who disputes membership rejection of the Executive Committee may submit a written motivation to the Board of Directors for further consideration.

ARTICLE 4.2: MEMBERSHIP SUBSCRIPTION

Each member of the Association shall pay annual membership subscription as set by the Association from time to time.

BYLAW 4.2.1 SUBSCRIPTION FEE

The amount of the annual membership subscription shall be decided upon by the majority vote of the AGM of the preceding year.

BYLAW 4.2.2 RENEWAL DUE DATE:

Each member shall pay their subscription into the Associations bank account on or before the first day of April each year.

BYLAW 4.2.3 SUSPENSION

1. A member whose subscription fee is more than three (3) months in areas shall be suspended from membership in the Association and will not be eligible to participate in the Annual General Assembly until such fees have been fully paid.
2. Suspension of a member shall automatically result in the suspension of any of its representative holding any position in the Association.

ARTICLE 4.3: ASSOCIATE MEMBERSHIP

Associate membership shall be open to all persons (natural or juristic) and institutions servicing the business of independent music sector, subject to the rules of eligibility as provided in Bylaw 4.1.1. Associate members shall no voting right, hold any office in the Association, or hold any position on the Board of Directors.

ARTICLE 4.4: FRIENDS OF THE ASSOCIATION

All other persons and institutions who subscribe to the objectives of the Association shall be accepted as 'Friends of the Association' upon approval of their written application for membership by the Board of Directors. Friends of the Association shall not be entitled to a vote, hold any office in the Association, or hold any position on the Board of Directors.

ARTICLE 4.5: REGISTER OF MEMBERS

The Secretariat or Legal and Business Affairs shall maintain a register in which shall be inscribed the name and address of each person or company admitted as a member of the Association. Any notice which may be required to be given to members shall be deemed to have been given if despatched to the address as recorded.

ARTICLE 4.6: DISQUALIFICATION

1. **MINIMUM MEMBERSHIP:** Where any member fails to maintain the membership subscription as provided in Article 4.2, the Board of Directors may terminate membership of that member, subject to ratification by two-thirds (2/3) vote of a meeting of the Annual General Assembly.
2. **CONDUCT:** The Board of Directors, by a two-thirds (2/3) vote, may, subject to ratification by two-thirds (2/3) vote of the AGM, suspend or terminate membership of any member of the Association on terms such as conduct, actions, omissions, utterances and attitude of such member that the Board of Directors is of the opinion that their continued presence would bring the Association into disrepute or jeopardy; and provided that such a member is given a written notice to the last known mailing address of the member not less than thirty (30) days prior to the date suspension or termination is to be considered, and after an opportunity is given to be heard at such meeting of the Board of Directors.
3. **RELIEVE:** The suspension or termination of the membership of a member for any reason shall not relieve that member of any responsibility or obligation for any act or omission for which they were responsible prior to the date of termination or suspension of their membership.

ARTICLE 4.7: RESIGNATION

Any member may terminate their association with the Association upon lodging a written notice of its wish to do so with the Secretary, accompanied by all monies due by it to the Association.

ARTICLE 4.8: DUTIES AND RIGHTS OF MEMBERS

1. All members of the Association shall familiarise themselves and be reasonably acquainted with the contents of this constitution. Each member in good standing shall be entitled to a copy of this constitution on payment of an amount determined to cover the expenses involved in making the copy. The constitution shall also be made available on the website of the organisation.
2. All members of the Association in good standing shall be entitled to use those facilities available or belonging to the Association in a manner prescribed by the Board of Directors from time to time. Use of the facilities shall be open to members only, except in cases where special provision for non-members to use the facilities shall have been made by the Board of Association.

CHAPTER 5: PATRONS

ARTICLE 5.1: ELIGIBILITY

Any individual with the commitment to enhance the image of the association and whose actions reflect the principles of AIRCO may be elected a Patron to promote the Association, its mission and activities.

ARTICLE 5.2: PROCEDURE

The eligible Patrons shall be recommended by the Board of Directors a for election at the AGM. The Association shall have a maximum of ten (10) Patron at a time. An elected Patron shall serve a term of not more than two (2) years unless re-elected by the Annual General Assembly and shall be entitled to attend any meeting of the Association with no voting rights in their capacity as a Patron.

ARTICLE 5.3: REVOCATION

A Patron-ship may be revoked, temporarily suspended or withdrawn at any time by the Board of Directors if a Patron has not conducted him/herself in a manner worthy of the Association or his/her actions have not been in the best interest of the Association.

CHAPTER 6: ANNUAL AND SPECIAL GENERAL MEETING

ARTICLE 6.1: SUPREME AUTHORITY

The final authority and ultimate responsibility in the Association shall be exercised through the Annual General and Special Meetings, provided, however, it may delegate any matters and the power to make decisions thereon to the Board of Directors.

ARTICLE 6.2: MEETINGS

The AGM shall be held within six months after the close of the Association's financial year, on such date, time and at such place as may be decided upon by the Board of Directors. Special meetings may also be called as deemed necessary by the Board of Directors.

BYLAW 6.2.1 NOTICES

1. At least 21 days written notice shall be given to an Annual General or Special General Meeting of the Association
2. Any documentation that requires consideration of the Annual General or Special General Meeting shall be sent to the Board of Directors and Provincial Chairpersons fifteen (15) prior to the meeting.
3. Non-receipt of any notice shall not invalidate the proceedings of any meetings.

BYLAW 6.2.2 EXCLUSIVE RESPONSIBILITY

The AGM shall have the prerogative discuss and vote on any and all of the following matters:

- a) Approval of the minutes of the previous AGM and discuss matters arising therefrom;
- b) Receive and act upon annual report of the Board of Directors;
- c) Receive audited annual financial statements and appoint of Auditors for the year ahead;
- d) Review and act upon the recommendations made by the Board of Director of its composition;
- e) Deal with any matter that this constitution dictate that it requires the AGM;
- f) Election of members of the Board of Directors.

BYLAW 6.2.3 SPECIFIC RESPONSIBILITY

The AGM shall receive and act upon any other matter referred to it by the Board of Directors and consider any matter or resolution of which prior notice has been given.

ARTICLE 6.3: COMPOSITION

The AGM shall be composed of:

- a) The Board of Directors;
- b) Provincial Chairpersons;
- c) Paid up members of the Association.

ARTICLE 6.4: VOTING

- 1. In any vote of the Annual or Special General Meeting, all Provincial Chairpersons who are paid up shall have one (1) vote. In a case where the Provincial Chairperson is not in good standing with the Association, members of such Province shall elect a Chief Delegate that shall vote on their behalf.
- 2. Members of the Board of Directors shall have the right to speak and to move and second motions of the AGM but shall have no vote.
- 3. The Chairperson shall have the prerogative to grant speaking rights to any participant of the AGM, such persons granted speaking rights shall not have the right to vote.

BYLAW 6.4.1 MAJORITY VOTE

Except where specific voting strength is provided for in this constitution, all matters to be determined by the General or Special Meeting shall be by a simple majority of the votes cast.

BYLAW 6.4.2 CASTING VOTE

The Chairperson of the Association shall have the casting vote in cases of a tie vote, except in the case of elections of the Board of Directors.

BYLAW 6.4.3 VOTING PROCEDURE FOR ELECTIONS

1. SECRET BALLOT: The election of Board of Directors shall be by secret ballot.
2. VOTE BY ACCLAMATION: In the event of an uncontested election for any office of the Board of Directors vote by acclamation shall be allowed.
3. ANNOUNCEMENT OF VOTES: The number of votes received by each candidacy shall be announced after the elections

ARTICLE 6.5: PROXIES:

1. In any vote of the AGM, a member of the Provincial Executive Committee present at the AGM shall vote as a Chief Delegate. In the event that the Provincial Association is unable to appoint a Chief Delegate at the AGM, such a Provincial Association shall have a right to assign a proxy to another Provincial Chairperson
2. HOW DESIGNATED: All proxies must be authorized in writing by the Provincial Chairperson or Provincial Vice Chairperson of the Province that is so represented.

ARTICLE 6.6: QUORUM

A quorum for the AGM shall comprise more than fifty (50) percent of Provincial Chairpersons (or their authorised preventatives) and Board of Directors.

ARTICLE 6.7: POSTPONEMENT

The AGM can only be cancelled for unexpected events occurring within the selected area or for any reason decided upon by a two-thirds (2/3) vote of the Board of Directors. The AGM shall then be rescheduled to a date that is within thirty (30) after the initial date.

ARTICLE 6.8: SPECIAL GENERAL MEETINGS

1. Special General Meetings shall be convened by the Board of Directors or on a requisition lodged with the Board of Directors, signed by not less than fifty (50) percent of Provincial Chairpersons in which the purpose for the meeting is required is clearly and fully set out.
2. The Board of Directors shall convene a Special General meeting within 21 days from the date of receipt on any requisition; failing which the requisitions may convene the meeting.
3. The final authority and ultimate responsibility in the Association shall be exercised through the Annual General and Special Meetings, provided,

however, it may delegate any matters and the power to make decisions thereon to the Board of Directors.

CHAPTER 7: BOARD OF DIRECTORS

ARTICLE 7.1: COMPOSITION

The Board of Directors shall consist of the following:

- a) Chairperson;
- b) Deputy Chairperson;
- c) Treasurer ; and
- d) Seven (7) Heads of Portfolios

BYLAW 7.1.1 APPOINTMENTS

The Chairperson shall have the power to appoint Special Appointees in areas deemed fit by the Board of Directors. Only paid up members of the Association may be appointed.

ARTICLE 7.2: POWERS AND FUNCTIONS

1. The responsibility for the management of the affairs of the Association shall be vested in the Board of Directors and shall determine who and in what manner agreements, documents or bank accounts shall be signed or operated on.
2. It shall be empowered to:
 - a) conduct and manage the affairs of the Association, its monies, properties, buildings and other undertakings;
 - b) frame, pass, amend and give effect to regulations and terms of reference not inconsistent with the provisions of this constitution, in keeping with any statutory or other prescribed requirements for;
 - c) erect or purchase in the name of the Association, rent and equip buildings and other immovable property;
 - d) draw, make, accept, endorse, execute and issue promissory notes, bills of exchange, or other negotiable instruments;
 - e) open and operate accounts for administration, membership fees and for monies received from the trust with any registered Bank within the Republic. All checks and other negotiable instruments of the accounts shall be signed by two persons being, Chairperson and Deputy Chairperson or the General Manager.

3. appoint standing, ad hoc or special committees and delegate to such committees and/ or all of its functions and powers subject to any terms and conditions it may impose.
4. let or lease any property or portions of any property of the Association, collect and/or receive rent, if necessary cancel any lease or other tenancy and take legal proceedings for the recovery of any rent and /or damages and/or ejectment or other relief in connection with such lease or tenancy provided that the Association shall not carry on the business of letting and hiring property.

ARTICLE 7.3: MEETINGS

1. Board of Directors shall meet a minimum of four (4) times a year prior to the AGM. It shall also meet at other times the majority of the Board of Directors may determine. In case of emergency, the Chairperson may call for a Board of Directors Meeting at his/her own discretion.
2. A joint meeting of the newly elected Board of Directors and the outgoing Board of Directors shall be held at the AGM following the adjournment of the main business or at special meeting arranged for handover. Such a special meeting shall however be held before the new Board of Directors take Office.
3. Meetings of the Board of Directors shall take place at the administrative office in Johannesburg, unless the Board of Directors decides otherwise.
4. The Board of Directors shall keep minutes of all meetings above and make such minutes available for perusal by members at the office of the Association.

BYLAW 7.3.1 NOTICES

1. At least 14 days written notice shall be given of any meeting of the Board of Directors of the Association, but in cases of emergency this requirement may be dispensed with.
2. Any documentation that requires consideration of the Board of Directors shall be sent at least seven (7) prior to the meeting, unless such a meeting is an emergency.
3. Non-receipt of any notice shall not invalidate the proceedings of any meetings.

BYLAW 1.1.1. QUORUM:

More than fifty (50) percent of the members at any meeting of the Board of Directors shall constitute a quorum.

BYLAW 1.1.2. VOTING:

1. At all meetings of the Board of Directors, each member present shall have one vote.
2. Voting shall be determined by a show of hands, unless decided otherwise by the Chairperson at his own discretion or by a majority of two-thirds (2/3) of the members present at the meeting.

3. Proxy votes are not permitted.

ARTICLE 7.4: TERM OF OFFICE

1. The Board of Directors shall hold office for a period of two (2) years commencing the first day of January following the elections.
2. A member of the Board of Directors may be elected to serve for a further term. However such a member of the Board of Directors shall not hold office for more than three (3) consecutive terms.

ARTICLE 7.5: NOMINATIONS

1. DEADLINE. All nominations for elective offices must be made on the prescribed form and forwarded to the General Manager to arrive at least thirty (30) days prior to the to the AGM. The General Manager shall, within fifteen (15) days after the deadline date for nominations, forward the list of nominees together with the essential profiles of the candidates to the Provincial Chairpersons.
2. EXTENTION OF DEADLINE. In the event that fewer than the minimum number of candidates required have been maintained following the official close of nominations, the Chairperson shall extend the time for the filing of nominations to expire no later than 09:00 hours of the day marking the commencement of the AGM.

BYLAW 1.1.3. NOMINATIONS COMMITTEE:

Subject to the approval of the Board of Directors, the Chairperson shall appoint a Nominations Committee to examine the eligibility and qualifications of each nominee for the particular office sought.

ARTICLE 7.6: QUALIFICATIONS:

1. GOOD STANDING. Every nominee for election or appointment into the Board of Directors must be paid up with the Association.
2. ATTENDANCE AT ANNUAL GENERAL MEETING. Unless he/she is excused by the Chairperson for valid reasons, every nominee for election shall be registered and in attendance at the AGM at which he/she is to be elected.
3. SPECIFIC QUALIFICATION FOR THE CHAIRPERSON. To stand for the position of Chairperson a member should have served at least one term on the Board of Directors.

ARTICLE 7.7: VACANCIES

1. Vacancies in the Board of Directors other than that of the Chairperson may be filled through an appointment by the Chairperson, subject to approval of the Board of Directors.
2. Upon death, disability, resignation or other disposition that shall prevent the Chairperson from serving, the Vice Chairperson will assume the chairpersonship for the remainder of the term of the elected Chairperson.

ARTICLE 7.8: TERMINATION

A member of the Board of Directors shall vacate his/her office on the occurrence of any of the following:

- a) ceases to be a member of the Association;
- b) resigns from his/her office by notice in writing to the Board of Directors;
- c) is absent from three consecutive meetings of the Board of Directors;
- d) is incapacitated due to ill health or injury rendering the set member unable to perform his/her duties;
- e) is sequestered provisionally or finally, or surrenders his/her estate for the benefit of his/her;
- f) is convicted by a competent Court of a criminal offence which is of a dishonourable nature;
- g) is found by the Board of Directors to have breached the code of conduct of the Association,

ARTICLE 7.9: REMUNERATION

Subject to limitations of the budget and approval by the Board of Trustees, the Board of Directors may set remuneration for its members.

CHAPTER 8: EXECUTIVE COMMITTEE

ARTICLE 8.1: COMPOSITION

The Executive Committee shall comprise of the Chairperson, Deputy Chairperson, Treasurer and two (2) Head of Portfolios. The said Heads of Portfolios shall be decided upon by the Board of Directors.

ARTICLE 8.2: DUTIES

The Executive Committee shall:

- a) manage the affairs of the Association within the powers vested in it by the Constitution and the AGM;
- b) implement the action decided upon by the AGM and the Board of Directors
- c) make recommendations to the Board of Directors for action;
- d) review and revise the annual budget whenever deemed necessary for submission to the Board of Directors for approval;
- e) shall set salaries ranges of staff and formulate necessary policies to regulate the terms and conditions of employment within the ambit of the law;

- f) publish or approve the publication of any newsletter, periodical brochure, pamphlets, leaflets, books etc;
- g) release or approve the release of information to the media;

ARTICLE 8.3: MEETINGS

- 1. The Executive Committee shall meet once a month. It shall also meet at other times as the Executive Committee may deem fit;
- 2. In case of emergency, the Chairperson may call for an Executive Committee meeting at his/her own discretion.
- 3. A joint meeting of the newly elected Board of Directors and the outgoing Board of Directors shall be held at the AGM following the adjournment of the main business or at special meeting arranged for handover. Such a special meeting shall however be held before the new Board of Directors take Office.

BYLAW 1.1.4. QUORUM:

More than fifty (50) percent of the members at any meeting of the Executive Committee shall constitute a quorum.

BYLAW 1.1.5. VOTING:

- 1. At all meetings of the Executive Committee, each member present shall have one vote.
- 2. Voting shall be determined by a show of hands, unless decided otherwise by the Chairperson at his own discretion or by a majority of two-thirds (2/3) of the members present at the meeting.

CHAPTER 9: DUTIES OF THE OFFICE BEARERS

ARTICLE 9.1: CHAIRPERSON

The Chairperson shall:

- a) Preside at all meetings of the Board of Directors, Executive Committee and AGM;
- b) Be the official representative of the Association and travel on its behalf;
- c) Will have an Official seating at the Board of Trustees as the link between the two structures of the Association.
- d) Supervise the overall planning and strategy implementation of the Association;
- e) Monitor and coordinate activities of Head of Portfolios;
- f) Report to the AGM, Board of Directors and Executive Committee;

- g) May delegate Chairmanship of any meeting to another Board of Directors member.

ARTICLE 9.2: DEPUTY CHAIRPERSON

The Deputy Chairperson shall:

- a) Perform all chairperson duties in his/her absence;
- b) Promote and oversee major programs of the Association;
- c) Perform duties as assigned by the Chairperson or the Board of Directors.

ARTICLE 9.3: THE GENERAL MANAGER

The General Manager shall be appointed by the Chairperson and Executive Committee and affirmed or approved by the Board of Directors and shall act as Secretary for the Association.

BYLAW 9.3.1 TERMS OF OFFICE

The term of office of the General Manager shall be for three (3) calendar years to commence on the day stipulated by the Chairperson of the Executive Committee, and shall continue for the entire three-year period for which he was appointed. Any period designated as a training or orientation period immediately preceding his taking office shall not be considered as part of the three-year term. The General Manager may not hold office twice, but his contract may be extended for additional terms of three (3) years upon the recommendation of the Executive Committee and with the approval of the Board of Directors at any time following the twenty-third (23rd) month of the contract.

BYLAW 9.3.2 DUTIES

The General Manager shall:

- a) be the Chief Administrative Officer of the organisation. He/she shall report directly to the Chairperson and shall receive requisitions and issue notices for meetings, conduct all correspondence for the Association, keep originals of letters received and copies of those despatched and at each meeting of the Board of Directors or the Executive Committee
- b) attend all meetings of the Executive Committee, Board of Directors and AGMs without voting rights. He/she shall record minutes of the proceedings, and perform such other duties as the AGM or the Board of Directors or Executive Committee may direct or which are normally performed by the office of Secretary
- c) Promote the purposes of the organisation.
- d) Conduct him/herself in a manner befitting the organisation
- e) Employ (and to discharge) and fill any vacancy such staff as may be required and authorised by Executive Committee and within the limitations of the budget.

CHAPTER 10: TRUST

ARTICLE 10.1: FORMATION

The association shall cause to be form a duly registered Trust in accordance with the laws of the Republic which shall exist in its own right and have a constitution which is in line with the Association's constitution.

ARTICLE 10.2: COMPOSITION

The Trust shall compose of Board of Trustees who shall not be less than three and more than five.

ARTICLE 10.3: APPOINTMENT AND ELECTION

1. INITIAL APPOINTMENT: The Chairperson of the Association shall appoint the initial Board of Trustee to serve, subject to approval of the Board of Directors.
2. APPOINTMENT: Following the initial term of the Board of Trustees, appointment of the Board of Trustees shall be by way of invitation from the Board of Directors. Such appointment shall be made with the view to ensure that the Board of Trustee contains an appropriate balance of skill, knowledge and experience relevant to the requirements of the Association.

ARTICLE 10.4: POWERS AND FUNCTIONS

The Trust shall, amongst others, have the following powers and functions in the registered Deed of Trust:

- a) To registered a company which shall be known as AIRCO Holdings (PTY) LTD which shall be used to run the business affairs of the Trust, and may register additional companies which shall be under AIRCO Holdings (PTY) LTD;
- b) To raise funds on behalf of the Association;
- c) To obtain financial support, collect or receive monies by way of bequests, donations, subscriptions, grants and subsidies and raise funds;
- d) To invest any of its surplus funds or monies received which are not immediately required for any administration or projects of the Association;
- e) To purchase, own and control monies and property of the Association;
- f) To ensure the Association uses its resources exclusively in pursuance of its objectives.

ARTICLE 10.5: TERM OF OFFICE

1. INITIAL TERM: The initial Board of Trustees shall hold office for a period of ten (10) years (term of the Office) immediately commencing their appointment.

2. TERM: The Board of Trustees shall hold office for at least two (2) terms a from the first (1) January following their appointment.
3. LIMITATION: A member of the Board of Trustees may be appointed to serve for a further term. However such a member of the Board of Trustees shall not hold office for more than two consecutive terms.

ARTICLE 10.6: GOVERNANCE AND TERMINATION

The Board of Trustees shall be governed in accordance with its Deed of Trust.

CHAPTER 11: STRATEGY AND PROGRAMMES

ARTICLE 11.1: APPOINTMENT OF THE STRATEGIC PLANNING COMMITTEE

1. At intervals of not less than three (3) and not more than five (5) years, a Strategic Planning Committee shall be appointed to consider in detail the future and long-range policy, procedures and finances of the organisation, and the revision, if necessary, of its organisational structure.
2. The Strategic Planning Committee shall compose of the Chairperson and the Deputy Chairperson of the association and 3 member of the board of trustees.

ARTICLE 11.2: PROGRAMMES

The Association shall develop and execute various programmes as approved by the Board of Directors from time to time. Such programmes shall be aimed at enhancing the Purpose and Objectives of the Association.

ARTICLE 11.3: BUSINESS ASSOCIATIONS

The Association may have a business association with any Government Department, Non-Governmental Organisation or Corporate Entity, for the purpose of furthering the objectives of the Association. Details of such association shall be provided to the Board Directors with the terms and conditions recorded on paper for approval.

CHAPTER 12: FINANCES

ARTICLE 12.1: FINANCIAL YEAR

The Association's financial year shall be from the 1st of April to 31st March provided that the financial year shall be changed automatically to comply with any statutory requirements that may be contained in future legislation or on the decisions of the AGM.

ARTICLE 12.2: ASSETS

1. All the assets, funds and property of the Association shall be held and / or registered in the name of the Association and shall be administered by the Board of Directors, with the exception of assets, funds and properties registered by the Trust
2. The Association shall keep a record of everything it owns.

BYLAW 12.2.1 MEMBERS LIABILITIES

No member of the Association shall have any right to the assets of the Association and the liability of the members shall be limited to the membership fees due by the member to the Association, if any, from time to time.

BYLAW 12.2.2 USE OF FUNDS AND MOVABLE ASSETS

1. The Board of Directors shall from time to time and as often as may be desirable award, lend, or otherwise disburse so much of the income of the Association as the Board of Directors may decide, in order to achieve all or any of the objectives of the Association.
2. All profits or gains will be utilised solely for investment or for the objectives for which it was established. No portion of the assets or income of the Association shall accrue for the benefit of the member of the Board of Directors, save for the purpose of reimbursement of moneys reasonably expended for the benefit of the Association.

ARTICLE 12.3: BOOKKEEPING

The cashbook, ledger and other bookkeeping records of the organization shall be maintained by the General Manager under supervision of the Executive Committee.

ARTICLE 12.4: QUARTERLY REPORTS

The Treasurer shall prepare quarterly financial statements and balance sheets and circulate them to Board of Directors through the Chairperson with a statement of all unpaid membership fees.

ARTICLE 12.5: BUDGET

The procedure for presentation of the budget shall be as follows:

- a) The Chairperson shall submit a proposed two years budget to the Board of Directors at its meeting prior to the AGM, for its approval.
- b) The proposed budget shall then be presented to the Board of Trustees for the purpose of availing funds and shall be endorsed by the AGM.
- c) The Chairperson shall revise and present the mid-term budget (of the second year of term of Board of Directors) to the Board of Directors for its approval.

ARTICLE 12.6: INSURANCE

1. All property, equipment and stocks of any level of the Association and/or any property and equipment entrusted to such level shall be insured to its full replacement value. Such insurance being the responsibility of the Executive Committee.
2. Subject to budgetary constraints, the Executive Committee shall also be responsible for procuring of Public and Contingent Liability Insurance each year.

ARTICLE 12.7: PROFESSIONAL SERVICE

1. Board Members and Office Bearers shall not be paid for work relating to their portfolio.
2. Members can only be paid for professional services where such service:
 - a. is not part of their existing portfolio.
 - b. does not cost more than the current market rate.
 - c. is approved by the Executive Committee, as the case may be, of the relevant level of the Organisation, before the service is provided.

CHAPTER 13: ADMINISTRATIVE OFFICE

ARTICLE 13.1: LOCATION OF OFFICES

The administrative offices of the Association shall be in Johannesburg or any such place, as the Association shall determine from time to time.

CHAPTER 14: COMMUNICATIONS

ARTICLE 14.1: LANGUAGE

English shall be the main language of correspondence and shall be used to maintain the basic records of the Associations.

ARTICLE 14.2: MEDIA

1. Communication with the media shall be the responsibility of the Chairperson
2. Any media communication shall be in writing and pre-approved by the Chairperson before being sent to the relevant media for publication.

CHAPTER 15: INDEMNITY

ARTICLE 15.1: MEMBERS AND PERSONEL INDEMNITY

The members of the Association and any of its employees are indemnified and held harmless in respect of any loss sustained by the Association as a result of any act of bona fide performed or authorised by them in the course of their activities or the performances of the duties on behalf of the Association.

CHAPTER 16: CONSTITUTION AND POLICIES

ARTICLE 1.2. WAIVER:

Articles and Bylaws of this Constitution may be waived by a unanimous vote of members at the Annual General Meeting provided that four-fifths (4/5) of the total voting strength in attendance participate in the vote.

ARTICLE 16.1: POLICIES

1. In a case of conflict between the policies of the Association and this Constitution, the provision of this Constitution shall take precedence.
2. Any structure of the Association may propose a policy relevant to its operation. Such Policy shall be approved by a majority vote at the Board of Directors meeting and shall become a schedule to this Constitution. The policy will become effective upon approval by the Board of Directors.

ARTICLE 16.2: INTERPRETATION

The provision of this Constitution shall be binding on all members and in case of any doubt as to the interpretation thereof, the interpretation of the Board of Directors shall be binding on all members and branches until such time as the interpretation is ratified or rejected by the AGM or Special General Meeting.

ARTICLE 16.3: AMMENDMENTS OF THE CONSTITUTION

BYLAW 16.3.1 ARTICLES AND BYLAWS:

Sections of the constitution may be amended by a two-thirds (2/3) vote of the voting member present at the AGM, provided that written notice of the proposed amendment is given to Provincial Chairpersons thirty (30) days prior to the National Organisation Convention.

BYLAW 16.3.2 EFFECTIVE DATE:

This Constitution shall take effect immediately on approval by a two-thirds (2/3) majority of Provincial Chairpersons at the AGM or the Special General Meeting. Any amendments will take effect on the 1st of January of the year following the AGM or Special General Meeting at which they have been voted upon

CHAPTER 17: DISSOLUTION

ARTICLE 17.1: PROCEDURE

1. The Association may be dissolved by the 2/3 majority of the members present and voting at the AGM or Special General Meeting convened for the purpose of considering such a matter and provided that:
 - a. notice of motion to dissolve the Association has been given in writing at least 30 days before the meeting at which it is discussed.
 - b. such notice of motion has been circulated to each member of the Association so as to reach them at least 15 days before the meeting at which it is to be discussed;
 - c. a resolution to dissolve the Association must be passed by a two-thirds majority of the votes of paid up Provincial Chairpersons present in person or represented by proxy;
 - d. the resolution for the dissolution of the assets provide for;
 - e. the appointment of a liquidator;
 - f. the devolution of the assets of the Association after payment of all debts upon or a named Organisation(s), Agency(ies), Association(s) or Institution(s) in the Republic of South Africa which has/have similar aims and objectives to that of the Association and which are themselves free of donations and income tax.


This constitution was approved and accepted by members of AIRCO,

At the Annual General Meeting at <venue> on <date>

Moses Boitumelo Dodo Monamodi

Chairperson

Signature



.....

Mandla Selby Maseko

Deputy Chairperson

Signature



.....

Policy Manual

CHAPTER .1 CODE OF CONDUCT

POLICY .1.1 CONDUCT OF OFFICERS AND PERSONEL

1. **ETHICAL CONDUCT:** The Board of Directors, appointees and employees of this Association are expected to adhere to high standards of ethical conduct. Although it is impossible to describe all conduct that is addressed, this policy specifically requires the following:
 - a) Show unfailing interest in, and commitment to, the objectives and affairs of the Association, and attend all meetings required at;
 - b) Recognition that the chief function of AIRCO at all times is to serve the best interests of our membership;
 - c) The responsible and prudent management of AIRSCO's funds and assets;
 - d) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - e) Full, fair accurate and timely disclosure of relevant facts in all reports and documents dealing with matters of program service, governance and business administration;
 - f) Compliance with all applicable governmental laws, rules and regulations
 - g) Treatment of all persons with respect, equity and fairness
 - h) Respect and protection of confidential and/or privileged information to which we have access to throughout the course of our duties
 - i) Prompt internal reporting of code violations to an appropriate person or persons within the organization
 - j) Personal accountability for adherence to this Code of Conduct
 - k) Recognise that failure to adhere to the Code of Conduct, failure to implement or execute reasonable requests and instructions of the board shall be guilty of misconduct, and acting in a manner that would bring the Association into disrepute may lead to suspension or termination as provided in the provisions of the constitution