



## CONSTITUTION OF THE HERMANUS BUSINESS CHAMBER

### 1. Name

The organisation hereby constituted shall be called HERMANUS BUSINESS CHAMBER (hereinafter referred to as the "HBC").

### 2. Legal persona and autonomy

The organisation shall:

- 2.1.1 Exist in its own right, separately from its members.
- 2.1.2 Continue to exist even when its membership changes and there are different office bearers
- 2.1.3 Be able to own property and other possessions.
- 2.1.4 Be able to sue and to be sued in the organisation's own name.
- 2.1.5 Have the right to buy or sell any movable or immovable property, to rent or lease out such property, or deal with such property in any other legal matter.
- 2.1.6 Be autonomous and can be affiliated to any broader commerce society or organisation. At the request of at least 20 (twenty) members, the Executive Committee will convene a special general meeting in order to take decision regarding such possible affiliation or disaffiliation. The Executive Committee may also, after its own unanimous decision to recommend such affiliation or disaffiliation to its members, convene a special general meeting in order to take a formal decision regarding such affiliation or disaffiliation.

### 3. Mission

To unite the Hermanus business community by being a representative, cohesive and sustainable umbrella organisation that will be the collective voice of business, provide guidance, education and training, and be the ultimate networking forum to stimulate and help secure the sustainable economic growth and development of Hermanus and surrounds to the advantage of all the people of our region.

### 4. Objectives

The objectives of the HBC, in furtherance of its mission, are the following:

- 4.1 To act as facilitator for the engendering of on-going strategic planning with a view to the furthering of sustainable growth-oriented business activities in the region of the Overstrand.
- 4.2 To act as communication channel and negotiating agent for its members by liaising with all levels of government, as well as with other relevant role players in the local, national and international spheres, in order to ensure that the interests of the business sector are safeguarded and in order to promote the free market system.
- 4.3 To liaise with all relevant role players with a view to bringing new economic investments to Hermanus and the region and to stimulate the new economic and business activities.
- 4.4 To facilitate debate and joint strategic planning amongst its members in order to attain the highest possible degree of unanimity and co-operation to the advantage of all, within the sphere of healthy competition.
- 4.5 To assist with the training and equipping of existing and emerging business with a view to developing the necessary skills in order to do business successfully.

- 4.6 To engender a culture of entrepreneurship in the region and to promote the economical empowerment of emerging small-and micro entrepreneurs.
- 4.7 To collect and disseminate amongst its members any information which may be of value to them.

## **5. Income and Property**

- 5.1 The organisation will keep a record of everything it owns.
- 5.2 5.2 The organisation may not give any of its money or property to its members or office bearers. The only time it can do this is when it pays for work that a member or office bearer has done for the organisation. The payment must be a reasonable amount for the work that has been done.
- 5.2.1 A member of the organization can only get money back from the organisation for expenses that he has paid for or on behalf of the organisation. Receipts must be produced for this.
- 5.2.2 Members or office bearers of the organization do not have rights over things that belong to the organisation.

## **6. Membership**

There are three categories of membership of the HBC

- Corporate members
- Ordinary members
- Affiliate members

### **6.1. Corporate members**

Any large business enterprise within the operating area of the HBC which applies for membership may, in the discretion of the Executive Committee, be accepted as full member of the organisation..

### **6.2. Ordinary members.**

6.2.1. Any small-to large-sized business enterprise within the operating area of the HBC which applies for membership may, in the discretion of the Executive Committee, be accepted as full member of the organisation.

6.3.2 Any person or society of persons, who are directly or indirectly engaged in bona fide business or professional activities in the area, may upon application be approved by the Executive Committee.

### **6.3. Affiliate members**

6.3.1. Any business enterprise or person within the area of the HBC, who applies, may in the discretion of the Executive Committee be allowed affiliate membership of HBC.

6.3.2 Affiliate members will have the same rights and privileges as ordinary members, except that they will not possess voting rights at any meeting of the HBC and furthermore in that they will not be electable to the Executive Committee.

6.3.3 Any Business Chamber within the area of the HBC, who applies, may in the discretion of the Executive Committee be allowed affiliate membership of HBC with full voting rights.

6.3.4. The Executive Committee shall have the power to refuse membership to an applicant, where it is considered such membership would be detrimental to the aims, purposes or activities of the group.

## **7. Termination of Membership**

Membership of the HBC will be terminated:

7.1. When a business enterprise ceases to exist or at the death of an individual member.

7.2. Upon receipt by the Executive Committee of a written resignation by the member.

7.3. In terms of the conditions as set out in paragraph 4.4 of this Constitution the Executive Committee may, by resolution passed at a meeting thereof, terminate or suspend the membership of any member, if in its opinion his/her conduct is prejudicial to the interests and objects of the association, PROVIDED THAT the

individual member or representative of the member organisation (as the case may be) shall have the right to be heard by the Executive Committee before the final decision is made. There shall be a right of appeal to an independent arbitrator appointed by the mutual agreement of the parties.

## **8. Joining- And Membership Fees**

### **8.1 Corporate members:**

pay the joining – and/or membership fees as decided upon by the Executive Committee from time to time.

**8.2 Ordinary members:** pay the joining- and/or membership fees which will be less to those for members as decided upon by the Executive Committee from time to time.

**8.3 Affiliate members:** no joining-and/or membership fees will be payable.

**8.4 The annual membership fees** will be decided upon by the Executive Committee and is payable by members annually in advance.

**8.5 A member whose membership fees remain unpaid** for a period of three months or more from the date upon which it became payable, will forfeit his rights as member until such time as full payment of the membership fee is received by the Executive Committee, and will lose his membership altogether by decision of the Executive Committee if and when he does not react positively after receipt of a written demand.

## **9. Executive Committee and Organisational Structure**

**9.1.** The Executive Committee will consist of no less than five (5) and not more than fifteen (15) elected members

**9.2** The Executive Committee will be elected at the Annual General Meeting and will have authority to co-opt as many additional members as it may deem necessary.

**9.3.** Nominations for executive committee candidates should be requested within 14 days before the date of the Annual General Meeting.

**9.4.** Immediately after the taking place of the Annual General Meeting the Executive Committee will convene and will then elect a Chair, Vice Chair and one additional member.

**9.5** The Executive Committee will appoint from among its members, a Treasurer with the responsibility to see the proper bookkeeping of the HBC's finances.

**9.6** One half of the members of the Executive Committee will retire at the end of every year-period and the other half will serve for a two (2) year period after which they will retire. Any retiring member is however eligible to re-election.

**9.7** The Executive Committee has the authority to arrange the organisational structure of the committee as it deems fit, with a view thereto that the operation of the HBC will be as streamlined as possible. The Executive Committee may appoint one or more sub-committees from amongst its own members, with the right to co-opt other members of the HBC, and even non-members of the HBC, and to delegate to such committees such duties and authority as it deems necessary, all with the main object to realize the mission, and objectives of the HBC in the best possible manner. Such sub-committees will convene as might be necessary and will in all cases report back to the Executive Committee on its activities.

**9.8** The Executive Committee of the HBC may on behalf of the HBC on occasion award certificates of merit and awards of honour in suitable format to deserving person or organisations.

**9.9** If a member of the Executive Committee is absent for more than three successive committee meetings, without apology, such a person automatically ceases to be a member of the Executive Committee, but by

**9.10** No member of the Executive Committee or employee of the HBC will, in the absence of criminal intent or mala fides, be held responsible for any loss or damage to the HBC resulting from actions of such a person in the execution of his or her duties.

**9.11** The Executive Committee will at all times manage the affairs applying best practice with regards to corporate governance.

**9.12** Voting at Executive Committee meetings shall be by show of hands on a majority basis. If there is a tied vote, then the Chairperson shall have a second vote.

## **10. Powers of the organisation**

**10.1** The Chair or Vice Chair or such other person as may be appointed by the Executive Committee, will represent the HBC in litigation or in contractual or other negotiations, and will execute any contracts and/or formal documentation as might be necessary.

**10.2** The Executive Committee may take on the power and authority that it believes it needs to be able to achieve the objectives that are stated in paragraph 4 of this constitution. Its activities must abide by the law.

**10.3** The Executive Committee has the power and authority to raise funds or to invite and receive contributions.

**10.4** The Executive Committee will have authority to open and operate a bank account or accounts in the name of the HBC, to make investments, and to manage, apply the finances and assets of the HBC in a responsible manner in furtherance of the HBC's mission and objectives. The Executive Committee will have the responsibility to insure the assets of the HBC against losses and claims of whatever nature.

**10.5** The Executive Committee does, however, have the power to buy, hire or exchange for any property that it needs to achieve its objectives.

**10.6** The Executive Committee has the right to make by-laws for proper management, including procedure for application, approval and termination of membership.

**10.7** Organisations will decide on the powers and functions of office bearers.

**10.8** Members or office bearers do not become liable for any of the obligations and liabilities of the organisation solely by virtue of their status as members or office bearers of the organisation.

**10.9** Office bearers are not personally liable for any loss suffered by any person as a result of an act or omission which occurs in good faith while the office bearer is performing functions for or on behalf of the organisation.

**10.10** The functions of the organisation are to fulfil the objectives set out in paragraph 4.

## **11. Finance**

**11.1** The financial year will be from the 1<sup>st</sup> March to the 28<sup>th</sup>/29<sup>th</sup> February next year.

**11.2** Proper bookkeeping procedures and recording procedures will be followed with regard to the finances of the HBC.

**11.3** All electronic payments have to be authorized by any two of the Treasurer, CEO, Chair or Vice Chair..

**11.4** Any member will have free access during business hours to the minutes of the HBC as well as the to the HBC's accounts and bookkeeping records.

**11.5** The financial statements of the HBC will be audited annually by a qualified person, appointed by the Executive Committee. The report of the Treasurer will be presented to the members during the annual general meeting.

**11.6** Any money obtained by the group shall be used only for the group.

**11.7** Any bank accounts opened for the group shall be in the name of the group.

**11.8** The Executive Committee will ensure that the group stays within budget.

**11.9** The Treasurer's job is to control the day to day finances of the organisation. The Treasurer shall arrange for all funds to be put into a bank account in the name of the organisation. The Treasurer must also keep proper record of all the finances.

**11.10** The organisation's accounting records and reports must be ready and handed to the Director of Non-Profit Organisations within 6 months after the financial year end.

**11.11** If the organisation has funds that can be invested, the funds may only be invested with registered financial institutions. These institutions are listed in Section 1 of the Financial Institutions (Investment of Funds) Act, 1984. Or the organisation can get securities that are listed on a licensed stock exchange as set out in the Stock Exchange Control Act, 1985 The organisation can go to difference banks to seek advice on the best way to look after its funds.

**11.12** Funds may be used for materials, equipment, furniture, hire of materials, salaries for work done, sponsorship, books, food, accommodation, traveling expenses, security measures and office and administration fees.

## **12. Committee Meetings**

**12.1.** The Executive Committee will meet at least 6 (six) times per year and preferably once per month, but at the request of the Chair, or in his absence the Vice Chair, the Secretary of the Executive Committee may convene special meetings of the committee.

**12.2** One third of the members of the Executive Committee will form a quorum.

**12.3** The committee shall be accountable to the members at all times.

**12.4** All meetings must be minuted and available to any interested party.

**12.5** All committee members shall be given at least seven (7) day's notice of a meeting unless it is deemed an emergency meeting.

## **13. General Public Meetings**

**13.1** A Special General Meeting may be convened in the following circumstances:

**3.1.1** If the Executive Committee decides that such a meeting is necessary, in which case any matter which is placed on the agenda by the Executive Committee will be attended to.

**3.1.2** If one third of the ordinary members request such a meeting in writing. In such a case the Executive Committee will advise all the members of the date and the specific matter or matters for which the meeting is convened and no other matters may be attended to at such a meeting.

**13.2** In all instances a quorum will be formed by one third of the ordinary members.

**13.3** The Chair of the HBC will act as Chairperson of general meetings, or in his absence the Vice Chairperson. In the absence of both Chair and Vice Chair, any one of the members of the Executive Committee may be elected as Chairperson for the meeting, and in the absence of any members of the Executive Committee, any one of the HBC members may be elected as Chairman of the meeting.

**13.4** Proper minutes will be kept of the proceedings and decisions of all general meetings as well as the meetings of the Executive Committee and its sub-committees.

**13.5** The Chair of the group shall normally chair these meetings

**13.6** At least fourteen (14) days' notice of such a meeting must be given and advertised in at least two (2) public places.

## **14. Annual General Meeting**

**14.1** An Annual General Meeting will be held within three (3) months from the end of the financial year on a date as decided upon by the Executive Committee.

**14.2** Written notice of the AGM must be sent to all members fourteen days before the taking place of the meeting.

**14.3** The business of the AGM shall include:

**14.3.1** Receiving a report from the Chairperson of the group's activities over the year.

**14.3.2** Receiving a report and presentation of the last financial year's accounts from the Treasurer on the finances of the group.

**14.3.3** Electing a new Executive Committee and considering any other matter as may be appropriate at such a meeting.

**14.3.4** One sixth of the ordinary members will form a quorum.

## **15. Voting**

**15.1** Voting at all meetings will take place by show of hands unless five percent of the members request that the voting should take place by way of ballot. Ordinary matters will be decided by a simple majority of votes, except where the specific majority is prescribed by the Constitution. All Chairpersons will, in the event of a locking of votes regarding ordinary matters, also have a casting vote.

## **16. Amendments and Alteration of the Constitution**

**16.1** Amendments to the Constitution may be effected by convening a meeting in terms of paragraph 12 or alternatively at the suggestion of the Executive Committee during the annual general meeting.

**16.2** Proposals for amendments to this constitution or dissolution (see Clause 11) must be delivered to the secretary in writing. The secretary in conjunction with all other officers shall then decide on the date of a forum meeting to discuss such proposals, giving at least four weeks (28 days) clear notice.

**16.3** Any changes to this constitution must be agreed by at least two thirds of those members present and voting at any general meeting.

**16.4** A written notice must go out not less than fourteen (14) days before the meeting at which the changes to the constitution are going to be proposed. The notice must indicate the proposed changes to the constitution that will be discussed at the meeting.

**16.5** One third of the members shall be present at a meeting (“the quorum”) before a decision to change the Constitution is taken. Any annual general meeting may vote upon such a notion, if the details of the changes are set out in the notice referred to in 15.4.

**17. Dissolution**

The group may be wound up at any time if agreed by two thirds of those members present and voting at any general meeting. Any assets shall be returned to their providers, if they require it, or shall be passed to another group with similar aims. When the organisation closed down it has to pay off all its debts. After doing this, if there is property or money left over it should not be paid or given to members of the organisation. It should be given in some way to another non-profit organisation that has similar objectives. The organisation’s general meeting can decide what organisation this should be.

The Constitution was approved and accepted on:

Date: .....

At: .....

Signed:

\_\_\_\_\_  
**Chair**

\_\_\_\_\_  
**Vice-Chair**

\_\_\_\_\_  
**Treasurer**

\_\_\_\_\_  
**Secretary**