

**REPUBLIC OF SOUTH AFRICA
COMPANIES ACT, 1973**

**Articles of Association
of a Company not having a share capital**

(Section 60 (1); Regulation 18)

Registration Number:

Name of Company

**THE GRAIN FARMER DEVELOPMENT ASSOCIATION
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

("the Company")

- A. The Articles of Table A contained in Schedule 1 to the Companies Act, 1973, shall not apply to the Company.
- B. The Articles of the Company are as follows:-

GENERAL

- 1.1 In these Articles the following words shall have the following meanings unless otherwise required by the context in which they are used, namely:-

- "the Act"** shall mean the Companies Act No. 61 of 1973 (as amended)
- "the Board"** shall mean the board of Directors for the time being of the Company and appointed in terms of these Articles;
- "the Company"** shall mean **THE GRAIN FARMER DEVELOPMENT ASSOCIATION** (Association Incorporated under Section 21);
- "Initiative"** shall mean any initiative applied and implemented by the Company to promote and achieve its main object as more fully described in the Memorandum of Association of the Company;
- "in writing"** shall mean written, printed or lithographed, or partly one and partly another, and other modes of representing or reproducing words in a visible form;
- "month"** shall mean a calendar month;
- "the office of the Company"** shall mean the registered office of the Company;
- "the Register"** shall mean the register of members of the Company;
- "the Republic"** shall mean the Republic of South Africa as constituted from time to time;

“year” shall mean a calendar year.

- 1.2 Words importing the singular number only shall include the plural number, and vice versa.
- 1.3 Words importing the masculine gender only shall include the feminine gender and vice versa, and words importing persons shall include corporations, and vice versa.
- 1.4 Save as aforesaid, any words or expressions defined in the Act or any statutory modification thereof shall bear the same meaning in these Articles.
- 1.5 The headings of the respective Articles are for reference purposes only and shall not be taken into account in the interpretation of these Articles.
- 1.6 Where consent or approval is required for any act by a member, such consent or approval shall be in writing and duly signed; not be unreasonably withheld; and shall be given prior to the member taking action.
- 1.7 The onus of proof in regard to receipt of any notice given or payment made by a member shall be upon the giver of the notice or the maker of the payment.
- 1.8 In the event of two or more persons being jointly the owners of a single portion and therefore jointly an owner-member in terms hereof, then they shall be jointly and severally liable in solidum for all their obligations in terms of these Articles.
- 1.9 In the event of any provision of the Articles being unenforceable for any reason whatsoever, then such provision shall be deemed to be separate and severable, without in any way affecting the validity of the remaining provisions.
- 1.10 These Articles shall in all respects and in regard to all matters arising therefrom be governed by the law of the Republic of South Africa.

MEMBERS

2. The first members of the Company shall be the subscribers to Memorandum of Association of the Company. In addition, the members for the time being may from time to time, in their discretion, admit any person who supports the Company on the terms and conditions contained herein, and subject to such terms and conditions as may be prescribed by the members on the date of such admission.
3. A member shall *ipso facto* cease to be member of the Company, if:
 - 3.1 being a natural person, his estate is finally sequestrated;
 - 3.2 being a body corporate, an order for the final winding-up or judicial management of the member is granted or a special resolution for the winding-up of the member is duly passed and registered in terms of the Act;
 - 3.3 he is placed under curatorship;
 - 3.4 it is removed as a member by a majority of the members of the Company; and
 - 3.5 by notice in writing to the Company it resigns as a member.
4. The number of members with which the Company proposes to be registered is unlimited, subject to the provisions of Article 5.
5. The Board shall admit to membership such companies, organizations or persons as may become eligible for membership from time to time, all of whom shall on such admission be members of the Company in accordance with the provisions of these Articles.

Ordinary Members

6. There shall be two classes of ordinary members with the following rights, qualifications and obligations pertaining thereto:
 - 6.1 **Founding members:** the first members of the Company who shall be deemed to be Ordinary Members of the Company and who are the subscribers to these articles, having agreed to be bound by the terms of the Memorandum and Articles of Association of the Company and having been admitted to membership pay an annual contribution as determined by or agreed with the Board from time to time, being companies, organizations, statutory bodies or persons, corporate or unincorporated, incorporated or registered in the Republic of South Africa, engaged in the international and/or domestic production, trade, processing or storage of grains, cereals, oilseeds or related products;
 - 6.2 **Ordinary members:** persons, corporations, companies, institutions or other bodies who, having agreed to be bound by the terms of the Memorandum and Articles of Association of the Company and having been admitted to membership pay an annual contribution as determined by or agreed with the Board from time to time, being companies, organizations, statutory bodies or persons, corporate or unincorporated, incorporated or registered in the Republic of South Africa, engaged in the international and/or domestic production, trade, processing or storage of grains, cereals, oilseeds or related products;
7. All membership subscriptions shall become due and payable in advance on the 1st day of July in each year. Failure to renew subscription within 60 (sixty) days from due date shall terminate membership. Membership conferred in terms of Article 6 shall be valid for the period during which such members hold the offices referred to therein
8. Every ordinary member of the Company shall have the right to vote at meetings of the Company and shall each have one vote;

9. Each ordinary member is entitled to nominate a person for appointment as a director to the Board of the Company.
10. The Board of directors will be entitled (but not obliged) to recognise any person as a member *nomine officii*, by reason of his appointment as:
 - 10.1 an executive office holder or duly authorised representative of a particular organisation, statutory body or company;
 - 10.2 an executor, administrator, trustee, curator or guardian in respect of the estate of a deceased member or of a member who's estate has been sequestrated, or of a member who is otherwise under disability; and
 - 10.3 the liquidator of any member that is a body corporate in the course of being wound up.

Provided that if the Board decides to recognise a representative of a member aforesaid, he shall from the date of such decision, and subject to submission of any proof required by the Board with regard to the office or appointment as such, be deemed to be in all respects and for all purposes a member of the Company in the relevant capacity.

Honorary Members

11. The Board of Directors will be entitled (but not obliged) to recognize any person or persons who, in recognition of exceptional and distinguished services rendered to the Company, will be elected as honorary members of the Company with the following rights, qualifications and obligations pertaining thereto:
 - 11.1 Honorary Members will not be required to pay an annual contribution to the Company by reason of their membership;
 - 11.2 Honorary Members shall not be entitled to nominate or appoint directors to the Board of the Company nor have the right to vote on the

affairs of the Company, but shall be entitled to notice of and to attend general meetings of the Company.

- 11.3 The liability of Honorary members for the debts and liabilities of the Company and in all other respects towards the Company shall be restricted to the amount reflected in the guarantee given by Ordinary members as set out in the Memorandum of Association.

GENERAL MEETINGS

12. The first General Meeting of the Company shall be held at such time not being less than one month or more than three months from the incorporation of the Company and at such place as the Board determine.
13. An Annual General Meeting shall be held once in every year at such time and place as may be determined by the Board, provided that every Annual General Meeting shall be held not more than six months after the end of every financial year of the Company and within not more than fifteen months after the date of the last preceding such meeting of the Company, subject always to the provisions of Section 179 of the Act.
14. The Board may whenever it thinks fit convene a General meeting, and General Meetings may also be convened on requisition as provided by Section 181 of the Act.
15. Subject always to the provisions of Section 186(3) of the Act, at least twenty-one clear days' notice in writing of every Annual General Meeting and of every General Meeting called for the purpose of passing a Special Resolution, and at least fourteen clear days' notice in writing of every other General Meeting (exclusive in each instance both of the day on which it is given or deemed to be given and of the day of the meeting), specifying the place, the day and the time of meeting, and in the case of special business the general nature of that business shall be given in the manner hereinafter mentioned to such persons (including the auditors) as are in terms of these Articles, or under

the Act, entitled to receive such notices from the Company; but with the consent of majority in number or the members having a right to attend and vote at the meeting who hold not less than ninety-five per cent of the total voting rights of all the Members, a meeting may be convened on a shorter period of notice than is prescribed above.

16. The accidental omission to give notice of a meeting to more than one-tenth of the members, or in cases where instruments of proxy are sent out with the notice, the accidental omission to send such instrument of proxy to more than one-tenth of the members, or then on-receipt or delay in receipt of notice of a meeting or such instrument of proxy by any person entitled to receive notice shall not invalidate the proceedings at the meeting.

PROCEEDINGS AT GENERAL MEETINGS

17. All business shall be deemed special that it transacted at a General Meeting, other than an Annual General Meeting, and also all business that is transacted at an Annual General Meeting, with the exception of the consideration of the annual financial statements, the reports of the Board and of the auditors on the annual financial statements, the election of directors to the Board and the appointment and fixing of the remuneration of the Auditors.
18. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Subject to the provisions of Section 199 of the Act in regard to the quorum for passing special resolutions, a quorum for a General Meeting shall be five members or such greater number as may be determined by the Company in General meeting from time to time, present in person. A corporation, being a member of this Company, and present by a representative duly appointed in accordance with Section 188 of the Act, shall be deemed to be a Member personally present for the purposes of these Articles.
19. If, within thirty minutes from the time appointed for the meeting, a quorum is not present, the meeting, if convened upon the requisition of members, shall

be dissolved. In any other case it shall stand adjourned without notice to the same day in the next week (or if that be a public holiday to the next succeeding day other than a public holiday, a Saturday or a Sunday), at the same time and place, or to such other day and at such other time or place as the Chairperson of the meeting shall appoint. If at such adjourned meeting a quorum as above defined is not present within thirty minutes from the time appointed for holding the meeting those members who are present in person and are entitled to vote shall be a quorum and may transact the business for which the meeting was called.

20. The Chairperson (if any) of the Company shall preside as Chairperson at every General Meeting, but if there be no such Chairperson, or if at any meeting he is not present within five minutes after the time appointed for holding the same, or if he is not willing to act as Chairperson, the Members present shall choose some member of the Board, or if no such member be present, or if all the members of the Board present decline to take the chair, the members present shall elect one of their number to the Chairperson.
21. The Chairperson may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn a meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for forty-five days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, or as provided by Section 192 of the Act it shall not be necessary to give any notice of an adjournment nor of the business to be transacted at an adjourned meeting.
22. At a General Meeting a resolution put to the vote of the meeting shall be decided by a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairperson of the meeting or by any member of the Company, or as provided in Section 198(1)(b) of the Act. Unless a poll be so demanded and the demand be not withdrawn a

declaration by the Chairperson of the meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

23. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
24. In the case of an equality of votes, whether in a show of hands or on a poll, the Chairperson of the meeting at which the show of hands takes place or at which the poll is demanded, shall not be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled as a member, and accordingly the resolution in question shall be defeated.
25. No poll shall be demanded on the election of the Chairperson of the meeting or on any question of adjournment. A poll demanded on any other question shall be taken at such time and place and in such manner as the Chairperson of the meeting directs, and any business, other than that upon which a poll has been demanded, may be proceeded with pending the taking of the poll.
26. The Chairperson of a meeting may appoint any firm or persons to act as scrutineers for the purpose of checking forms of proxy deposited for use and for counting the votes at such meetings and he may thereafter act on a certificate given by any such scrutineers without requiring production at the meeting of the forms of proxy or himself counting the votes.
27. If any votes shall be counted which ought not to have been counted or might have been rejected or if any votes shall not be counted which ought to have been counted the error shall not vitiate the resolution unless it be pointed out at the meeting and not in that case unless it shall, in the opinion of the Chairperson of the meeting, be of sufficient magnitude to vitiate the resolution. No objection shall be raised to the qualification of any voter

except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting or adjourned meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

28. Any minutes of resolutions and proceedings at general meetings made in one of the minute books of the Company, if signed by any person purporting to be the Chairperson of the meeting to which it relates, or by any person present thereat and appointed by the directors to sign the same in his place, or by the Chairperson of a subsequent meeting of the directors, shall be receivable as evidence of the facts therein stated.

VOTES OF MEMBERS

29. Every Member and every duly authorised and qualified representative of a Member present at a General Meeting shall have one vote on a show of hands and one vote on a poll. A person shall be deemed to be duly authorised and qualified if he be appointed in terms of Section 188 of the Act, and is himself an officer of or in the employment of the member by whom he is so appointed, and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as the corporation could exercise if it were an individual member of the Company. The directors may, but shall not be obliged to, require proof to their satisfaction of the appointment or authority of such representative to act.

PROXIES AND VOTING UNDER POWER OF ATTORNEY

30. The instrument appointing a proxy shall be in writing under the hand of the person granting such proxy or his attorney duly authorised in writing, or, if the appointer be a corporation, either under its common seal or under the hand of an officer or attorney so authorised. The holder of a power of attorney from a member may, if so authorised by the power of attorney, vote for and represent such member at any meeting of the Company.

31. A proxy need not be a member of the Company.

32. Every instrument of proxy, whether for a specified meeting or otherwise, shall comply with section 189 of the Act and subject thereto be in the form or to the following effect or in such other form as the directors may approve, and the directors may, if they think fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting:-

THE GRAIN FARMER DEVELOPMENT ASSOCIATION

(Association incorporated under Section 21)

"I/We _____ of _____
being a member/members of the abovenamed Company
do hereby appoint _____ of _____
or failing him _____ or _____
or failing him the Chairperson of the Company;
or failing him the Chairperson of the meeting
as my/our proxy to vote for me/us and on me/our
behalf at the annual General (or general or adjourned as the case may be)

Meeting of the Company to be held at _____
On the _____ day of _____
20 _____, at (time appointed) and at any adjournment thereof.

Dated this _____ day of _____ 20 _____.

Name (in full) _____
Address _____

Signature

I/We desire to vote as follows:-

FOR AGAINST ABSTAIN

+ Resolution No. 1 _____
+ Resolution No. 2 _____

(Set out the numbers of the resolution if more than one)

+ Mark with an X whichever is applicable. Unless otherwise directed, the proxy will vote of abstain as he thinks fit.

Any member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and, on a poll, to vote in his stead. The proxy so appointed need not also be a Member".

33. Any power of attorney and any instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney shall be deposited at the Office of the Company or at such other place within the Republic as is specified for that purpose in the notice convening the meeting, not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than forty-eight hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. In determining the said period of forty-eight hours, Saturdays, Sundays and public holidays shall not be taken into account. No instrument appointing a proxy shall be valid after the expiration of six months from its date except at an adjourned meeting or at a poll demanded at a meeting originally held within the six months after the date of such instrument.
34. A vote given in accordance with the terms of a power of attorney or an instrument of proxy shall be valid notwithstanding the previous legal incapacity of the principal or revocation of the power of attorney or instrument of proxy, unless an intimation in writing of such legal incapacity or revocation shall have been received by the Company (at the office at which such power or instrument is registered) not less than forty-eight hours before commencement of the meeting or the taking of the poll at which the instrument of proxy is used.

BOARD OF DIRECTORS

35. The number of the directors of the Company shall not be less than 5 (FIVE).

36. The maximum number of directors of the Company may be changed and limited by a General Meeting of the members of the Company from time to time. The first directors shall, on registration, in number and in name be appointed by the subscribers to these articles.
37. Any director who serves on any executive or other committee or who devotes special attention to the business of the Company, or who otherwise performs services which, in the opinion of the directors, are outside the scope of the ordinary duties of a director, may be paid such extra remuneration, in addition to the remuneration to which he may be entitled as a director, as the directors may determine. The directors shall also be paid all their traveling and other expenses properly and necessarily expended by them in and about the business of the Company.
38. Without prejudice to any provisions for retirement hereinafter contained, the office of a director shall be vacated in any of the events following, namely:-
- 38.1 if he becomes insolvent or assigns his estate for the benefit of his creditors, suspends payments generally, or compounds with his creditors, or files a petition for the surrender of his estate;
- 38.2 if he is found or becomes of unsound mind;
- 38.3 if he is requested in writing by all his co-directors to resign;
- 38.4 if he be removed by a resolution of the Company pursuant to Section 220 of the Act;
- 38.5 if he shall, pursuant to the provisions of the Statutes or by reason of any order made there under, be prohibited from acting as a director;
- 38.6 if he resigns his office by notice in writing to the Company;

- 38.7 if he is absent from meetings of the directors for six consecutive months without leave of the directors otherwise than on the business of the Company and is not represented at any such meetings during such six consecutive months by an alternate director, and the directors resolve that his office be, by reason of such absence, vacated; provided that the directors shall have power to grant to any director not resident in the Republic leave of absence for any or an indefinite period;
39. A director may hold any other office or place of profit under the Company (except that of auditor) in conjunction with his office of director for such period and on such terms as to remuneration (in addition to the remuneration to which he may be entitled as a director) and otherwise as the directors may determine.
40. A director of the Company may be or become a director or other officer of, or otherwise interested in, any Company promoted by the Company or in which the Company may be interested as shareholder or otherwise and (except insofar as otherwise decided by the directors), he shall not be accountable for any remuneration or other benefits received by him as a director or officer of or from his interest in such other Company.
41. Any director may act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director.
42. A director who is in any way whether directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company, shall declare the nature of his interest in accordance with Sections 234, 235, 237 and 238 of the Act.
43. Subject to the next succeeding Article hereof no director or intending director shall be disqualified by his office for contracting with the Company either with regard to his tenure of any other office or place of profit under the Company or in any Company promoted by the Company or in which the

Company is interested or in respect of professional service rendered or to be rendered by such director or as vendor, purchaser or in any other manner whatever, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any director is in anyway interested be liable to be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realised by any such appointment, contract or arrangement by reason of such director holding the office or of the fiduciary relationship thereby established.

44. A director shall not vote and if he shall does so, his vote shall not be counted on any resolution for his own appointment to any other office or place of profit under the Company or in respect of any contract or arrangement in which he is interested, but this prohibition shall not apply to:-

44.1 any arrangements for giving to any director any security or indemnity in respect of money lent by him to or obligation undertaken by him for the benefit of the Company; or

44.2 any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company which the director has himself guaranteed or secured; or

44.3 any contract or arrangement with a Company in which he is interested by reason only of being a director, officer, creditor or member of such Company;

and these prohibitions may at any time be suspended or relaxed to any extent either generally, or in respect of any particular contract or arrangement, by the Company in General Meeting.

45. The directors may from time to time appoint one or more of their body or any other person not of their body to the office of managing director or manager for such term and at such remuneration as they may think fit and revokes such appointment subject to the terms of any agreement entered into in any

particular case. A director so appointed shall not, while holding such office, be subject to retirement by rotation, or be taken into account in determining the rotation of retirement of directors, but his appointment shall determine if he ceases for any reason to be a director.

46. The directors may from time to time entrust to or confer upon a managing director or manager, for the time being, such of the powers and authorities vested in them as they may think fit, and may confer powers and authorities for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think expedient and they may confer such powers and authorities collateral or to the exclusion of, or in substitution for, all or any of the powers and authorities of the directors and may from time to time revoke or vary all or any of such powers and authorities.

ALTERNATE DIRECTORS

47. Each director may appoint either another director or any person approved for that purpose by a resolution of the directors to act as alternate director in his place and during his absence and may at his discretion remove such alternate director. A person so appointed, shall, except as regards power to appoint an alternate, and remuneration, be subject in all respects to the terms and conditions existing with reference to the other directors of the Company, and each alternate director, whilst so acting, shall be entitled to receive notices of all meetings of the directors or of any committee of the directors of which his appointer is a member, and to attend and vote at any such meeting at which his appointer is not personally present and he shall generally be entitled to exercise and discharge all the functions, powers and duties of his appointer in such appointer's absence as if he were a director. Any director acting as alternate shall (in addition to his own vote) have a vote for each director for whom he acts as alternate. An alternate director shall ipso facto cease to be an alternate director if his appointer ceases for any reason to be a director, provided that if any director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article

which was in force immediately before his retirement shall remain in force as though he had not retire. Any appointment or removal of an alternate director shall be effected by instrument in writing delivered at the office and signed by the appointer. The remuneration of an alternate director shall be payable only out of the remuneration payable to the director appointing him and he shall have no claim against the Company for his remuneration.

CONSENT OF DIRECTORS

48. No appointment of a director, except that of a retiring director re-elected at an Annual General Meeting or a General Meeting of the Company, shall take effect until the written consent of such person to act as a director of the Company has been lodged with the Company in accordance with Section 211 of the Act.

POWERS OF THE DIRECTORS

49. The business of the Company shall be managed by the directors, who may pay all such expenses of, and preliminary and incidental to the promotion, formation, establishment and registration of the Company as they think fit, and may exercise all such powers of the Company, and do, on behalf of the Company, all such acts as may be exercised and done by the Company, and are not by the Act or by these Articles required to be exercised or done by the Company in General Meeting.
50. The Board may, at any time, prior to an order or resolution to wind up the Company and from time to time make calls or levies upon the members in their capacity as such, for such sums as the Company shall from time to time require in order to enable it to discharge its obligations, or fulfill its objects, but not in excess of the amounts guaranteed by each member in terms of the Company's Memorandum of Association.
51. The members of the time being of the Board may act notwithstanding any vacancy in their body; provided always that in case the number of directors

shall at any time be or be reduced to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act for the purpose of summoning a General meeting or for filling up vacancies, but not for any other purpose.

PROCEEDINGS OF DIRECTORS AND COMMITTEES

52. The directors may meet for the dispatch of business, adjourn, and otherwise regulate their meetings as they think fit. A quorum necessary for the transaction of any business shall consist of 3 (three) directors. A director may at any time, and the secretary upon the request of a director, shall at any time convene a meeting of the directors. A director who is not in the Republic, shall be entitled to notice of any meeting, but it shall also be given to his alternate, if any, unless such alternate is also absent from the Republic.
53. The directors may elect a Chairperson and Vice Chairperson for the body and for their meetings and determine the period for which they are to hold office, which period shall not exceed one year, but if no such Chairperson or Vice Chairperson is elected or if at any meeting the Chairperson or Vice Chairperson is not present within five minutes after the time appointed for holding the same, the directors present shall choose one of their number present to be Chairperson at such meeting.
55. All questions arising at any Board meeting shall be decided by a majority of votes. The Chairperson shall in the case of an equality of votes not have a second or casting vote.
56. A meeting of the directors at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretion by or under these Articles for the time being vested in or exercisable by the directors generally.
57. A round robin resolution in writing signed by all the directors, being not less than a majority of the directors then in office, shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted;

provided that where a director is not so present, but has an alternate who is so present, then such resolutions shall be described as "directors' resolutions" and shall be forwarded or otherwise delivered to the secretary without delay, and shall be recorded by him in the Company's minute book and noted at the meeting of the directors next following the receipt thereof by him. A directors' resolution (unless signed by all the directors or their alternates) shall be inoperative if it shall purport to authorise or to do any act which a meeting of the directors has decided shall not be authorised or done, until confirmed by a meeting of the directors.

58. The meetings and proceedings of any committee consisting of two or more members, shall be governed by the provisions herein contained for regulating the meetings and proceedings of the directors so far as the same are applicable thereto and are not superseded by any regulations made or imposed by the directors.
59. All acts done by the directors or by a committee of directors or by any person acting as a director or a member of a committee, shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of the directors or persons acting as aforesaid, or that they or any of them were disqualified from or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director or member of such committee.

AGENTS AND COMMITTEES OF THE BOARD

60. The directors may by power of attorney appoint any Company, firm or person or any fluctuating body or persons, whether nominated directly or indirectly by the directors, to be the attorney or agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may think fit, and may

also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him or them.

61. The directors may delegate any of their powers to an executive or other committee whether consisting of a member or members of their body or not as they think fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the directors and any such regulations may authorise the appointment of sub-committees.

SECRETARY

62. The secretary (which may be a body corporate) shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit and any secretary so appointed may be removed by the directors. A provision of the Statutes or these Articles requiring or authorizing a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

AUTHENTICATION OF DOCUMENTS

63. Any director or the secretary or person appointed by the directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be the person appointed by the directors aforesaid.
64. A document purporting to be a copy of a resolution of the directors or an extract from the minutes of a meeting of the directors which is certified as

such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extracts is a true and accurate record of a duly constituted meeting of the directors.

ACCOUNTS

65. The directors shall cause to be kept such accounting records and books of account as are prescribed by the Statutes.
66. The accounting records shall be kept at the Office or (subject to the provisions of Section 284 of the Act) as such other place as the directors think fit, and shall at all times be open to inspection by the directors and members, or any of them, at all reasonable times during business hours.
67. Subject to the provisions of the Statutes a copy of the annual financial statements made out in accordance with and consisting of the documents specified in section 286 of the act which is to be laid before the Company in Annual General Meeting, shall be delivered or sent by post to the registered address of each member at least twenty-one clear days before such annual General Meeting; provided that this Article shall not require a copy of the said documents to be sent to any person who is not entitled to receive notice of General Meetings of the Company or of whose address the Company is not aware.

AUDITORS

68. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Statutes.
69. Subject to the provisions of the Statutes, all acts done by any persons acting as auditor, shall, as regards all persons dealing in good faith with the Company, be valid notwithstanding that there was some defect in his appointment.

70. All annual financial statements when audited and laid before an Annual General meeting shall be deemed conclusively correct, and shall not be re-opened.

NOTICES

71. Any notice or other document may be served by the Company upon any member either personally or by sending it through the post in a prepaid envelope or wrap paper, addressed to such member at his registered address; provided that if the Company is prevented through circumstances beyond its control from so giving notice, then notice may be given by advertisement. Should it be necessary to give notice by advertisement, such notice shall, subject to the provisions of the statutes, be advertised in the Gazette and in a leading daily newspaper in Pretoria. Any member described in the register by an address not within the Republic, who shall from time to time give to the Company an address within the Republic at which notices may be served upon him, shall be entitled to have notices served upon him at such address but save as aforesaid and as provided by the Statutes, no member other than a registered member described in the registrar by an address within the Republic shall be entitled to receive any notice from the Company.
72. Any notice or other document, if served by post, shall be deemed to have been served at the time when the same was put in the post, and in providing such service it shall be sufficient to prove that the notice or documents was properly addressed, stamped and put in the post.
73. Save as otherwise expressly provided, where a given number of days notice, or notice extending over any period, is required to be given, the day of service shall not, unless it is otherwise provided, be counted in such number of days or other period.
74. The signature to any notice to be given by the Company may be in writing, as defined.

INDEMNITY

75. Subject to the provisions of Section 247 of the Act:-
- 75.1 Every director, manager, secretary, auditor and officer of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such director, manager, secretary, auditor or officer in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted, or in connection with any application under Section 248 of the Act in which relief is granted to him by the Court; and
- 75.2 Every such person as aforesaid shall be indemnified by the Company against and it shall be the duty of the directors out of the funds of the Company to pay all costs, losses and expenses which any such person may incur or become liable to by reason of any contract entered into or act or deed done by him as such director, secretary, manager, auditor or officer of the Company or in any way in the discharge of his duties
76. Subject to the provisions of the Statutes, no director, manager, secretary, auditor or officer or servant of the Company shall be liable for the acts, receipts, neglects, or default of any other director, manager, secretary auditor or officer or servant, or for joining in any receipt or other act for conformity, or for loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the directors for and on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be deposited, or for any loss or damage occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution of his duties of office or in relation thereto, unless the same happen through his own dishonesty.

WINDING-UP

77. The provisions of the Memorandum of Association relating to the winding up or dissolution of the Company shall have effect and be observed as if the same were repeated in these Articles.

RULES, REGULATIONS AND CONTRIBUTIONS

78. The Company may from time to time propose, impose and enforce rules, regulations, terms and conditions applicable to:
- 78.1 the implementation, management and the operation of any Initiative;
 - 78.2 the membership of members of the Company.
79. The rules, regulations, terms and conditions will relate mainly to the implementation, management and the operation of any Initiative;
80. The Company shall be entitled to demand payment of subscriptions or contributions following a decision properly taken in respect of the amount or amounts to be levied and contributed and authorizing the collection of the contributions from a date prior to or on the date of the notice. The Company shall be entitled to legal recourse in order to collect the required contributions and levies from any party.
-

SIGNATORIES TO ARTICLES OF ASSOCIATION

1.	Particulars of subscribers	Date and signature of subscriber
-----------	-----------------------------------	---

Full names: _____

Occupation:

Residential address:

Business address:

Postal address:

Particulars of witness

Date and Signature of Witness

Full names: Sharon Theron _____

Occupation: Legal secretary

S. Theron
15 April 2009

Residential address: 1444 Lawson Avenue
Waverley
Pretoria
0186

Business address: Prinsloo Bekker
Global House East
298 Glenwood Road
Lynnwoodpark
Pretoria
0081

Postal address: P.O. Box 4286
Pretoria
0001

2.	Particulars of subscribers	Date and signature of subscriber
----	----------------------------	----------------------------------

Full names: _____

Occupation:

Residential address:

Business address:

Postal address:

Particulars of witness	Date and Signature of Witness
------------------------	-------------------------------

Full names: Sharon Theron _____

Occupation: Legal secretary

S. Theron
15 April 2009

Residential address: 1444 Lawson Avenue
Waverley
Pretoria
0186

Business address: Prinsloo Bekker
Global House East
298 Glenwood Road
Lynnwoodpark
Pretoria
0081

Postal address: P.O. Box 4286
Pretoria
0001

3.	Particulars of subscribers	Date and signature of subscriber
-----------	-----------------------------------	---

Full names: _____

Occupation:

Residential address:

Business address:

Postal address:

Particulars of witness

Date and Signature of Witness

Full names: Sharon Theron _____

Occupation: Legal secretary

S. Theron
April 2009

Residential address: 1444 Lawson Avenue
Waverley
Pretoria
0186

Business address: Prinsloo Bekker
Global House East
298 Glenwood Road
Lynnwoodpark
Pretoria
0081

Postal address: P.O. Box 4286
Pretoria
0001

4.	Particulars of subscribers	Date and signature of subscriber
-----------	-----------------------------------	---

Full names: _____

Occupation:

Residential address:

Business address:

Postal address:

Particulars of witness	Date and Signature of Witness
-------------------------------	--------------------------------------

Full names: Sharon Theron _____

Occupation: Legal secretary

S. Theron
April 2009

Residential address: 1444 Lawson Avenue
Waverley
Pretoria
0186

Business address: Prinsloo Bekker
Global House East
298 Glenwood Road
Lynnwoodpark
Pretoria
0081

Postal address: P.O. Box 4286
Pretoria
0001

5.	Particulars of subscribers	Date and signature of subscriber
-----------	-----------------------------------	---

Full names: _____

Occupation:

Residential address:

Business address:

Postal address:

Particulars of witness

Date and Signature of Witness

Full names: Sharon Theron

Occupation: Legal secretary

Residential address: 1444 Lawson Avenue
Waverley
Pretoria
0186

Business address: Prinsloo Bekker
Global House East
296 Glenwood Road
Lynnwoodpark
Pretoria
0081

Postal address: P.O. Box 4286
Pretoria
0001

S. Theron
April 2009

6.	Particulars of subscribers	Date and signature of subscriber
Full names:		_____
Occupation:		
Residential address:		
Business address:		
Postal address:		
	Particulars of witness	Date and Signature of Witness
Full names:	Sharon Theron	_____
Occupation:	Legal secretary	S. Theron April 2009
Residential address:	1444 Lawson Avenue Waverley Pretoria 0186	
Business address:	Prinsloo Bekker Global House East 296 Glenwood Road Lynnwoodpark Pretoria 0081	
Postal address:	P.O. Box 4286 Pretoria 0001	

7.	Particulars of subscribers	Date and signature of subscriber
-----------	-----------------------------------	---

Full names: _____

Occupation:

Residential address:

Business address:

Postal address:

Particulars of witness

Date and Signature of Witness

Full names: Sharon Theron _____

Occupation: Legal secretary

S. Theron
April 2009

Residential address: 1444 Lawson Avenue
Waverley
Pretoria
0186

Business address: Prinsloo Bekker
Global House East
296 Glenwood Road
Lynnwoodpark
Pretoria
0081

Postal address: P.O. Box 4286
Pretoria
0001

**REPUBLIC OF SOUTH AFRICA
COMPANIES ACT, 1973**

**Memorandum of Association
of a Company not having a share capital**

Registration Number:

Paste revenue receipt here or affix revenue stamps here or impress revenue franking machine impression here

Agent Code: P&B

1. NAME

1.1 The name of the Company is

**THE GRAIN FARMER DEVELOPMENT ASSOCIATION
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

1.2 The name of the Company in the other official language of the Republic is

NONE

1.3 The shortened form of the name of the Company is

GFADA

2. PURPOSE DESCRIBING THE MAIN BUSINESS

“The main business which the Company is to carry on is:

“generally, to assist and support in the transformation of South African emerging grain farmers of previously disadvantaged backgrounds (“emerging farmers”) in the Republic of South Africa into becoming independent commercial producers of grains, cereals, oilseeds and other related products by, *inter alia* -

- 2.1 assisting and supporting emerging farmers in the rehabilitation and preparation of farm land and soil for the purpose of the production of grains, cereals, oil seeds and other related products;
- 2.2 contributing towards crop insurance premiums for purposes of cost reduction in the financing of emerging grain farmers;
- 2.3 contributing towards the cost of mentoring emerging grain farmers;
- 2.4 positively promoting, contributing to and improving the productive utilization of arable agricultural land in South Africa for the production of grains, cereals, oil seeds and other related products;
- 2.5 assisting and supporting emerging grain farmers to identify suitable and appropriate farm land for the purpose of the production of grains, cereals, oil seeds and other related products;
- 2.6 assisting, through the involvement of accredited and acceptable institutions, emerging grain farmers to be educated in the production and marketing of grains, cereals, oilseeds and other related products.
- 2.7 establishing, implementing and managing initiatives for the purposes hereinbefore stated;

- 2.8 establishing a special fund or funds in the Republic of South Africa to receive donations and contributions to be devoted and disbursed exclusively for and towards the objects set out in this Article 2;
- 2.9 collecting moneys and accept contributions in money or otherwise and whether by way of donations, bequests, or otherwise and to apply the same or the income there from for all or any of the objects set out this Article 2, and for the special fund(s) referred to in sub-article 2.9.

3. MAIN OBJECT

The main object of the Company is:

“generally, to promote and advance the development and establishment of grain farmers of previously disadvantaged backgrounds in the Republic of South Africa and without further limiting the generality thereof, as is further and in more detail described under Article 2 above”.

4. ANCILLARY OBJECTS EXCLUDED

The specific ancillary objects if any, referred to in section 33(1) of the Act, which are excluded from the unlimited ancillary objects of the Company.

The Company shall only have such ancillary objects as may be necessary to enable it to realize its main object.

5. POWERS

The Company shall have the powers lawfully granted to it by virtue of Schedule 2 to the Companies Act, 1973 (Act No. 61 of 1973) as amended

or replaced, except the following specific powers which are in terms of Section 34 of the Act expressly:

5.1 EXCLUDED:

- i) Powers (d), (e), (f), (i), (j),(k), (l), (s), (t), (u)

5.2 QUALIFIED:

- i) Power (a) with the -- “This power will be executed only in accordance with the main object of the “Company”.
- ii) Power (b) with the -- “This power will be executed only in accordance with the main object of the “Company”.
- iii) Power (c) with the -- “This power will be executed only in accordance with the main object of the Company”.
- iv) Power (g) with the - “This power will be executed only in accordance with the main object of the Company”.
- v) Power (h) with the - “This power will be executed only in accordance with the main object of the Company”.
- vi) Power (m) with the - “This power will be executed only in accordance with the main object of the Company”.

5.3 MODIFIED:

- i) Power (n) for - “To remunerate any person or persons, in cash

services rendered in the formation of the Company or in the development or conduct of its activities”.

- ii) Power (o) - “To make grants and donations in furtherance of its main object provided that no donations or grants may be made to members or directors”.
- iii) Power (p) - “To undertake and execute any trust in furthering the main object of the Company”.
- iv) Power (q) - “To act as a principal, agent, contractor or trustee in furtherance of the main object of the Company”.
- v) Power (r) - “To pay staff gratuities and pensions and to establish pension schemes in respect of its employees”.

6. CONDITIONS

Any special conditions which apply to the Company and the requirements, if any, additional to those prescribed in the Act for their alteration

- 6.1 The income and property of the Company, howsoever derived, shall be applied solely towards the promotion of its main object and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise, howsoever, to the members of the Company or to its holding subsidiary companies, provided that nothing herein contained shall prevent the payment in good faith of reasonable remuneration to any officer or servant of the Company or to any member thereof in return for any services actually rendered to the Company.
- 6.2 Upon dissolution, de-registration or winding up of the Company the assets of the Company remaining after the satisfaction of all its liabilities shall be given

or transferred to some other companies, associations or institutions having objects similar to the Company's main object, to be determined by the members of the Company in a general meeting, at or before the time of its dissolution or failing such determination, by the High Court, provided that:

- 6.2.1 if the Company has been registered as a non-profit organization in terms of the Nonprofit Organizations Act, 1997 (Act No. 71 of 1997) (the "Nonprofit Organizations Act"), any such assets must be given or transferred to some other Companies, Trusts, Associations or Institutions authorized in terms of the Nonprofit Organizations Act to collect contributions and having similar objects of the Company;
 - 6.2.2 the winding-up, deregistration or dissolution must be carried out in compliance with Section 23 of the Non-profit Organizations Act; and
 - 6.2.3 in the event that the Company has been registered in terms of the Nonprofit Organizations Act, any amendment to this Memorandum and Articles of Association must be notified immediately to the director for Non-profit Organizations in the manner stipulated in Section 19(2) of the Non-profit Organizations Act.
- 6.3 All donations made by or to the Company shall be irrevocable and be subject to the terms and conditions of the Company's Memorandum and Articles of Association.
- 6.4 The Company shall be entitled to bind members to contribute by way of subscriptions towards the funds of the Company and to enforce payment thereof and collect and receive from members such contributions.
- 6.5 The Company will not carry on any business activities, including, *inter alia*, ordinary trading operations in the commercial sense, speculative transactions or dividend stripping activities;

7. PRE-INCORPORATION CONTRACTS (IF ANY)

NONE

8. FINANCIAL YEAR-END

The financial year end of the Company shall be the last day of June each year.

9. ASSOCIATION ARTICLE

We, the several persons, whose full names, occupations, residential, business and postal addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum and Articles of Association and we respectively agree to become ordinary members of the Company.

10. GUARANTEE

10.1 The liability of members is limited to the amount referred to in 10.2 hereunder.

10.2 Each member undertakes to contribute to the assets of the Company in the event of its being wound up either while he is a member or within one year thereafter, for the purpose of payment of the debts and liabilities of the Company contracted before he ceased to be a member, and of the costs, charges and expenses of the winding-up and for adjustment of the rights of the contributories amongst themselves, an amount not exceeding R100-00 (One Hundred Rand).