

Amended following SGM held 27/06/2017

MOTORSPORT SOUTH AFRICA NPC

(NON PROFIT COMPANY)

The Memorandum of Incorporation of Motorsport South Africa is as follows:

1. DEFINITIONS

In this Memorandum, unless the context otherwise requires, each of the following words and expressions shall have the meaning given below:

"CIK"	Commission Internationale de Karting;
"FIA"	Fédération Internationale de l'Automobile;
"FIM"	Fédération Internationale de Motocyclisme;
"MSA"	Motorsport South Africa NPC;
"SASCOC"	S.A. Sports Confederation and Olympic Committee;
"WADA"	World Anti-Doping Agency;
"ACT"	the Companies Act, 71 of 2008, as amended;
"MEMORANDUM"	the Memorandum of Incorporation of MSA;
"CHAIRMAN"	the Chairman of MSA;
"COMPANY"	includes an association of persons or a body corporate, as the case may be;
"EXPERT"	a person considered by the MSA BOD in its sole and absolute discretion to be an expert in a particular field and/or category of motorsport;
"GENERAL MEETING"	any general meeting of MSA or any adjournment thereof, as the case may be;
"MANAGERS"	any manager/s to whom the MSA BOD may delegate a particular function, power, authority or duty;
"BOD"	the MSA Board of Directors;
"CEO"	the Chief Executive Officer;
"MANCOM"	the Management Committee as envisaged in this Memorandum and MSA's internal regulations;
"MSA MEMBER"	the members of MSA as defined in this Memorandum;
"NCA"	National Court of Appeal appointed in terms of this Memorandum;
"CLUB"	a club whose declared aims and objectives are the promotion and/or organisation of all or any of the accepted branches of competitive motorsport which, after acceptance as a member by the BOD, fulfils the conditions of membership as prescribed in this Memorandum.
"REGIONAL COMMITTEE"	a regional committee appointed in terms of this Memorandum;
"REGIONAL COORDINATOR"	a coordinator to whom the CEO, the Secretariat or regional committee member may delegate particular functions, and being responsible for the regional administrative duties of MSA in a region;
"REGISTERED OFFICE"	the registered office for the time being of the company;
"REPUBLIC"	the Republic of South Africa;
"SECRETARIAT"	the Secretariat appointed in terms of this Memorandum and authorised by the BOD;
"SECRETARY"	the Company Secretary or any person authorised to act in his place and includes a person authorised by the directors to carry out any of the duties of the secretary;
"SPECIALIST PANEL"	a Specialist Panel appointed in terms of this Memorandum;
"SPORT COORDINATOR"	a coordinator to whom the CEO, ManCom, a Commission, Panel or regional committee member may delegate particular functions, and being responsible for the national and regional administrative duties of MSA;
"SPORTING COMMISSION"	a Sporting Commission appointed in terms of this Memorandum;
"SIGN"	includes the reproduction of a signature by electronic process and "signature" has the corresponding meaning;

2. INTERPRETATION

- 2.1 In the interpretation of this Memorandum and unless contrary to or excluded by the subject or context, any word signifying:
- 2.1.1 the singular shall include the plural and vice versa;
 - 2.1.2 reference to any gender shall include a reference to the other genders;
 - 2.1.3 a reference to a natural person shall include a reference to a legal person or juristic entity (whether incorporated or unincorporated) and vice versa;
 - 2.1.4 paragraph headings shall be for reference purposes only and shall not modify or vary any provision, term or condition of this Memorandum, nor be taken into account in construing or interpreting the tenor or import of this Memorandum;
 - 2.1.5 any reference to "writing" or "written" shall be deemed to include a reference to any

- letter, facsimile (fax), e-mail, or other written form of communication where receipt thereof is duly acknowledged by the addressee, or can be duly proven by the addressor;
- 2.1.6 where any particular number of days is provided for the doing of any act for any purpose, the reckoning shall exclude the first day, and shall include the last day, and should the last day not be a business day, the last day for such purposes shall be the next succeeding business day (a business day is any day not being a Saturday, Sunday or proclaimed public holiday);
- 2.1.7 unless the context indicates otherwise, any reference to a number of days shall be a reference to a continuous period, and shall not be deemed to be a reference to business days, subject however to the provisions of clause 2.1.6 above.
- 2.2 The terms, conditions and provisions and including obligations imposed under this Memorandum (and all of which are for convenience referred to as "the provisions") are severable and divisible as to each provision or part thereof, and should any provision be found to be invalid and/or unenforceable by a competent Court, such a finding shall not affect the validity and/or enforceability of the remaining provisions or parts thereof.
- 2.3 Where any definition is contained in a clause or sub-clause, it shall bear the meaning ascribed, where utilised elsewhere in this Memorandum, unless the context expressly indicates a contrary intention.
- 2.4 Subject to the provisions of clause 2.3, any word which is defined in the Act and is not defined in the definitions above shall bear that statutory meaning in this Memorandum.

3. GENERAL

- 3.1 MSA South Africa NPC is a non-profit company with members. It was incorporated on 19 June 1995, with registration number 1995/005605/08, under section 21 of the Companies Act, No. 61 of 1973, which was repealed by the Act. In terms of Item 2 (1) of Schedule 5 of the Act, a company that was incorporated in terms of the Companies Act, 1973 continues to exist as if it had been incorporated and registered in terms of the Act.
- 3.2 MSA refrains from manifesting racial, gender, political and religious discrimination in the course of its activities and requires all its member bodies and officials to do the same.
- 3.3 MSA being a member of SASCOC accepts the code of conduct, objects and jurisdiction as prescribed in the constitution of the SASCOC or their successors in title.

4. AUTHORITY

- 4.1 MSA holds the sporting authority to govern motorsport as conferred or delegated by the FIA, CIK and FIM and any other international or national sporting bodies, Associations, and Federations which shall mean it holds the exclusive right to take all decisions concerning the organisation, direction, management and control of motorsport in South Africa, Lesotho and Swaziland.
- 4.2 MSA, as the controlling and administrative body for motorsport in South Africa, will facilitate and encourage the promotion of the sport.

5. EXERCISE OF THE SPORTING POWERS

- 5.1 MSA shall exercise the judicial and executive powers, authority and control in respect of any event, series of events, race, test, attempt at a record, regularity trial, rally, touring assembly, motorcycle touring and leisure activities as set out in the FIM's Statutes, speed contest, in which an automobile, motorcycle or kart takes part, and having a competitive nature which shall include official practice and/or qualifications in respect thereof. MSA shall exercise these rights in terms of the Sporting Codes of the FIA, CIK and FIM.
- 5.2 MSA has the right to initiate, promote, organise, delegate, control and administer South African National Championship competitions and such other International, National, Regional or other competitions which may be created from time to time for automobiles, motorcycles, quads and karts.

6. OBJECTIVES OF MSA

The objectives of MSA shall be to establish unity between its members primarily with the view to:

- 6.1 ensuring the unity of the motorsport movement and safeguarding the interest of motorsport in South Africa;
- 6.2 promoting, encouraging and developing motorsport and be seen as the custodian of motorsport in South Africa;
- 6.3 exercising jurisdictional power for the settlement of disputes of a sporting nature and/or any disputes which might arise between its members, or any of its members having contravened the provisions and articles of MSA and/or current MSA Handbook, Rules or Regulations;
- 6.4 fostering and maintaining ongoing transformation within MSA that embodies an active motorsport development programme for persons across the whole spectrum of the population.

7. PURPOSE OF MAIN BUSINESS OF MSA

The main business of MSA will be to carry on public benefit activities where:

- 7.1 All such activities will be carried on in a non-profit manner with an altruistic intent and in a manner compatible with a public benefit organisation;
- 7.2 No such activity is intended to directly or indirectly promote the economic self-interest of any fiduciary, employee or director of MSA, otherwise than by way of reasonable remuneration payable to the fiduciary, employee or director for services rendered to or on behalf of MSA, reimbursement for expenses

- 7.3 incurred to advance the object of MSA, payment in terms of a bona fide agreement, payment in respect of rights of a person, which rights are administered by MSA or legal obligations of MSA; and Each activity carried on by MSA is widely accessible to the public at large, including any sector thereof (other than small and exclusive groups).

In particular, MSA will conduct the following two public benefit activities as specifically provided for in the Ninth Schedule of the Income Tax Act:

The administration, development, co-ordination or promotion of sport or recreation in which the participants take part on a professional or non-professional basis as a pastime; and

The provision of support services to, or promotion of the common interests of, public benefit organisations contemplated in section 10(1)(cA)(i), which conduct one or more public benefit activities contemplated in Part I of the Ninth Schedule to the Income Tax Act.

8. PROHIBITION ON DISTRIBUTION OF INCOME AND PROPERTY

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

- 8.1 MSA shall always have at least three persons who are not connected persons, as defined in the Income Tax Act, in relation to each other, to accept the fiduciary responsibilities of MSA, such persons also being the directors of MSA; no single person shall directly or indirectly control the decision making powers relating to MSA;
- 8.2 MSA is prohibited from directly or indirectly distributing any of its funds to any person (other than in the course of undertaking any public benefit activity) and is required to utilise its funds solely for the object for which it has been established, provided that nothing herein contained shall prevent the payment in good faith of reasonable remuneration to any officer or servant of MSA or any member thereof in return for any services actually rendered to MSA, having regard to what is generally considered reasonable in the sector in relation to the service rendered and has not and will not economically benefit any person in a manner which is not consistent with the objects of MSA and with regard to the manner in which the remuneration of executive directors will be determined as provided for in paragraph 26.2;
- 8.3 upon its winding up, deregistration or dissolution, the assets of MSA remaining after the satisfaction of all its liabilities shall be given or transferred to some other company or institution or companies or institutions which:
- 8.3.1 is any public benefit organisation which has been approved in terms of section 30 of the Income Tax Act;
- 8.3.2 any institution, board or body which is exempt from tax under the provisions of section 10(1)(cA)(i) of the Income Tax Act, which has as its sole or principal object the carrying on of any public benefit activity; or
- 8.3.3 any department of state or administration in the nation or provincial or local sphere of government of the Republic, contemplated in section 10(1)(a) or (b) of the Income Tax Act; which is required to use these assets solely for purposes of carrying on one or more public benefit activities;
- 8.4 the provisions of this Memorandum may be amended in accordance with the Companies Act, provided that such amendment shall not result in MSA losing the benefits of any rulings which may have been given in its favour by the Commissioner for the South African Revenue Service ("the Commissioner") and, in any event, such amendments shall be submitted to the Commissioner for his information;
- 8.5 the activities of MSA shall be directed wholly or mainly in pursuit of its main object;
- 8.6 MSA may not accept any donation which is revocable at the instance of the donor for reasons other than material failure to conform to the designated purposes and conditions of such donation, including any misrepresentation with regard to the tax deductibility thereof in terms of section 18A of the Income Tax Act: Provided also that a donor (other than a donor which is an approved public benefit organisation or an institution, board or body which is exempt from tax in terms of section 10(1)(cA)(i) of the Income Tax Act, which has as its sole or principal object the carrying on of any public benefit activity) may not impose conditions which could enable such donor or any connected person in relation to such donor to derive some direct or indirect benefit from the application of such donation;
- 8.7 MSA shall not knowingly be a party to and shall not knowingly permit itself to be used as part of a transaction, operation or scheme of which the sole or main purpose is the reduction, postponement or avoidance of liability of any tax, duty or levy which, but for such transaction, operation or scheme, would have become payable by any person in terms of the Income Tax or any other act administered by the Commissioner;
- 8.8 MSA has not and will not pay any remuneration, as defined in the Fourth Schedule, to any employee, office bearer, member or other person which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered and has not and will not economically benefit any person in a manner which is not consistent with its objects;
- 8.9 MSA shall comply with such reporting requirements as may be required by the Commissioner from time to time; and
- 8.10 MSA will not use its resources directly or indirectly to support, advance or oppose any specific legislative initiative, political party or candidate for public office.

9. RECORDS

9.1 Registers

- 9.1.1 MSA shall keep and maintain a register of members of MSA in one of the official languages of the Republic and an index thereto as provided in Section 24 and Schedule 1 of the Act. There shall be entered in the register of members:
- 9.1.1.1 the names and addresses of the members;
 - 9.1.1.2 the date on which the name of any person was entered in the register as a member;
 - 9.1.1.3 the date on which any person ceased to be a member.
- 9.1.2 MSA shall keep and maintain:
- 9.1.2.1 a register of directors and officers of MSA and shall enter therein the particulars required by Section 24 of the Act; and
 - 9.1.2.2 a register of interests of directors and officers in contracts, in one of the official languages of the Republic, and shall enter therein the particulars of any declarations of interest made under Sections 75, 76 and/or of the Act.
- 9.1.3 MSA shall keep and maintain:
- 9.1.3.1 a register of pledges, notarial bonds, mortgage bonds and notarial debentures in accordance with the provisions of the Act; and
 - 9.1.3.2 a register of debenture holders, if any, in accordance with the provisions of the Act.
- 9.1.4 Each of the registers referred to in articles 9.1.1, 9.1.2, 9.1.3 and 9.1.4:
- 9.1.4.1 shall be kept at the registered office, in the form prescribed by section 24 of the act, or at any office of MSA in the Republic where the work of making up such register is carried out or at the office of an agent of MSA in the Republic where the work of making up such register is carried out;
 - 9.1.4.2 shall, except in the case of the register of members when such register is closed under the provisions of this Article, be open to the inspection of members during business hours, subject to any reasonable restriction from time to time imposed by MSA in a general meeting.

9.2 Minutes

- 9.2.1 MSA, in accordance with section 24 of the Act, shall cause minutes of the following matters to be inserted in books kept for the purpose:
- 9.2.1.1 all resolutions and other proceedings of any general meeting or any meeting of MSA;
 - 9.2.1.2 all resolutions and other proceedings of any meeting of the directors or of any executive or other committee.
- 9.2.2 Such minutes shall specify, without limitation, all resolutions to appoint directors and all resolutions passed in terms of article 24.1 of this memorandum and shall record the names of all directors attending meetings of the directors or of any executive or other committee.
- 9.2.3 Any minutes of any meeting of MSA or of the directors or of any executive or other committee, and any extract there from purporting to be signed by the Chairman of such meeting or by any person present at such meeting and authorised by the directors to sign such extract, or by any 2 (two) of the directors, shall be receivable in evidence of the matters recorded therein. Any minutes of any resolution made in pursuance of article 23 and any extract there from purporting to be signed by any two of the directors shall be receivable in evidence of the matters recorded therein.

9.3 Accounting Records

- 9.3.1 The directors shall cause accounting records to be kept in accordance with Section 28 of the Act.
- 9.3.2 The accounting records of MSA shall be kept at the registered office or at such other place or places as the directors may deem fit.
- 9.3.3 The accounting records shall be open to inspection by any of the directors at any time. The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions the accounting records of MSA or any of them shall be open to inspection by members not being directors, and, subject to the rights granted to members in terms of the Act, no member other than a director shall be entitled to inspect any of the accounting records or other documents of MSA unless authorised by the directors or by MSA in general meeting.

9.4 Annual Financial Statements

- 9.4.1 The directors shall from time to time, in accordance with Sections 29 and 30 of the Act, cause to be prepared and laid before MSA in general meeting such annual financial statements, group annual financial statements and group reports, if any, as are referred to in these Sections. Particulars of any loan or security within the meaning of the Act shall be stated in the annual financial statements of MSA for every year during which such loan or security was in operation.
- 9.4.2 Every such annual financial statement shall be accompanied by a report by the directors complying with Section 30(3) of the Act.

- 9.4.3 Not less than 21 (twenty-one) days before the date of any annual general meeting a copy of any annual financial statements, group annual financial statements and group reports to be laid before such meeting shall at the election of the directors be:
- 9.4.3.1 published by advertisement in one of the official language newspapers circulating in every province of the Republic of South Africa; or
- 9.4.3.2 sent to members in the same way as a notice of meeting may be sent in terms of this Memorandum; or
- 9.4.3.3 sent only to those members who may elect to receive annual financial statements and to pay such fee as may be reasonably determined by the MSA BOD from time to time to cover the costs incurred by MSA.

10. AUDIT

- 10.1 The Company elects, in terms of section 30 (2) (b) (ii) (aa) of the Act, to voluntarily require an audit of its annual financial statements.
- 10.2 An auditor or auditors shall be appointed in accordance with Section 90 of the Act. An auditor may be a member of MSA but no person shall be eligible to be appointed as an auditor of MSA who has any interest otherwise than as a member, in any transaction to which MSA is a party, or who holds any office in MSA or in any other company performing secretarial work for MSA other than that of auditor, whether as director, officer or employee or otherwise. If an auditor during his term of office as auditor, acquires an interest, or is appointed to an office which renders him ineligible for appointment as an auditor, then such person shall cease to be an auditor of MSA.
- 10.3 An auditor of MSA shall, subject to the provisions of the Act and of article 10.1, hold office until another appointment or other appointments to the registered office shall be made at a general meeting of MSA.
- 10.4 Any casual vacancy occurring in the offices of auditor may be filled by the directors and any person so appointed shall, subject to the provisions of Sections 90, 91 and 92 of the Act, continue in office until the first general meeting held after the appointment of such person, provided that if such general meeting fails to appoint an auditor in the place of the auditor whose office was vacated and if the person appointed by the directors to fill the place of such person be the only exiting auditor of MSA, then such person may continue in office until such time as MSA in general meeting appoints an auditor or auditors or until the directors appoint some other person to fill the casual vacancy.
- 10.5 The remuneration of the auditors shall be agreed between the CEO (in consultation with the Financial Director) and the auditors.
- 10.6 At least once in every year the accounting records of MSA shall be examined and the correctness of the annual financial statements ascertained by the auditors. For this purpose:
- 10.6.1 the auditors shall be supplied with copies of the annual financial statements intended to be laid before MSA in general meeting;
- 10.6.2 the auditors shall at all times have access to the books and accounts of MSA;
- 10.6.3 the auditors may, for the purpose of the audit, examine the affairs of the directors or officers of MSA.
- 10.7 In addition to such audit the auditors shall make a report to the members in compliance with the Act.
- 10.8 The financial statements of MSA for any year, where certified by the auditors and laid before a general meeting, shall be deemed to be correct, and shall not in any case be re-opened, provided that if any error is discovered in such statements within a period of 3 (three) months following such general meeting, then such statements shall forthwith be corrected and re-certified by the auditors and thenceforth shall be deemed to be correct.

11. MEMBERSHIP OF MSA

MSA shall consist of corporate members, these being:

11.1 Clubs and Associations

- 11.1.1 Properly constituted clubs and associations whose aims and objectives are the promotion and organisation of all or any of the accepted branches of motorsport (competitive motoring or motorcycling) with a minimum number of paid up members of 20 (twenty). Provided that one constituted club shall be entitled to only one membership of MSA and branches, divisions, etc. of that club must be separate and direct members of MSA in their own right in order to have a separate vote.
- 11.1.2 A club will be deemed to fulfil the conditions of membership as prescribed in this Memorandum if such a club:
- 11.1.2.1 Organises/promotes at least one National Championship or one Regional Championship event annually; or
- 11.1.2.2 Organises a minimum of three club motorsport events annually; or
- 11.1.2.3 Is considered by the BOD, as making a positive contribution to the development and furtherance of motorsport in the region concerned.
- 11.1.3 An association will be deemed to fulfil the conditions of membership as prescribed in this Memorandum if such an association:
- 11.1.3.1 Caters for the needs of competitors in a particular category of the sport; or
- 11.1.3.2 Is considered by the BOD, as making a positive contribution to the development and furtherance of the category of the sport which it represents on both a regional and national basis.
- 11.1.4 A club/association applying for membership shall be required to confirm on the affiliation

application form that copies of the Agenda and Minutes of the club/association's Annual General Meeting as well as financials presented to the club/association's members at its Annual General Meeting, will be submitted to MSA within 14 (fourteen) days from the date of such Annual General Meeting.

- 11.2 **Associate Members**
- 11.2.1 Clubs and associations whose aims and objectives are solely of a social nature and who do not organise and/or promote any motorsport events of a competitive nature whatsoever.
- 11.2.2 Associate Members will be non-voting members, but shall nevertheless be required to comply with the provisions of Art. 11.4 below and all other requirements as may be determined by the BOD from time to time.
- 11.3 **Companies (including Promoters)**
- 11.3.1 Companies that are duly registered and incorporated in accordance with the provisions of the Act whose Memorandum of Incorporation clearly provide that the Company was incorporated with the objective of applying the Company's resources in part or in whole to the promotion and organisation of all or any of the accepted branches of Motorsport. Provided that this will include Companies that own motor racing circuits, having freehold rights to the property (zoned for Motorsport) on which the circuit is built.
- 11.3.2 Companies that own or hold leases on property (zoned for Motorsport) on which a motorsport circuit is built shall be eligible to apply for membership.
- 11.3.3 Companies that sponsor teams of competitors, series of events, events occurring annually for more than one year, and commit a significant amount of money to the sport shall be eligible to apply for membership, however their membership shall be decided at the sole discretion of the BOD.
- 11.3.4 Companies that manufacture assemble or import motor vehicles and/or including motorcycles and/or parts and equipment for the Motorsport industry, which support Motorsport via providing finance or resources shall be eligible to apply for membership, however their membership shall be decided at the sole discretion of the BOD.
- 11.3.5 A company/promoter applying for membership shall be required to confirm on the affiliation application form that the company/promoter shall, on request, provide the Company (MSA) with a letter from the company/promoter's accounting officer/auditor that the company/promoter is solvent and generally in good standing.
- 11.4 **Application for Membership**
- 11.4.1 Application for acceptance as a member shall be made in writing to the MSA secretariat and include all details in support of the application in accordance with the application form and which details shall comply with the requirements set out herein.
- 11.4.2 All applications must clearly indicate that the body applying for corporate membership of MSA will refrain from manifesting racial, gender, political and religious discrimination in the course of its activities.
- 11.4.3 The Constitution of a club/association applying for membership must specify whether Proxy Votes will / will not be allowed at the club/association's Annual General Meeting.
- 11.4.4 A club/association applying for membership shall be required to confirm on the affiliation application form that copies of the Agenda and Minutes of the club/association's Annual General Meeting as well as financials presented to the club/association's members at its Annual General Meeting, will be submitted to MSA within 14 (fourteen) days from the date of such Annual General Meeting.
- 11.4.5 Should the club/association amend its Constitution for any reason, a copy of the amended version (duly approved by all members at an AGM), will be sent to MSA.
- 11.4.6 MSA shall have the right to take action against a club/association that does not comply with the contents of its Constitution lodged with MSA.
- 11.4.7 Applications for membership shall be considered and approved by ManCom, who will make the decision regarding the membership of an applicant based on the criteria set out in Art. 11.1, following consultation with other corporate members in the region catering for and/or involved in the same category of motorsport, where after the CEO will table the name(s) of new affiliations to the BOD for noting purposes only. ManCom, in its sole discretion, shall make the final decision on the membership of an Applicant, but with such decision remaining subject to the provisions of Art. 36.3.1.
- 11.4.8 All new membership applications that are declined by ManCom must be tabled to the BOD for consideration, who shall have the authority to veto ManCom's decision.
- 11.4.9 In considering the approval ManCom may call upon and consider the opinion of any other relevant MSA bodies.
- 11.4.10 The BOD may from time to time create different categories of membership.
- 11.4.11 MSA shall not approve the registration of a club, association, body corporate, statutory body or partnership, the initials or name of which are the same or similar to those of a club, association, body corporate, statutory body or partnership already registered or, if in the opinion of MSA, the name is not representative of the aims and objectives of the club. This will apply mutatis mutandis should an already registered club apply for a change of name. In making a decision, MSA shall take into account whether motorsport in the region will benefit from the registration of the club, association, body corporate, statutory body or

partnership, and whether the category or categories of sport to be organised or involved are adequately catered for already.

- 11.4.12 An initial registration fee and annual affiliation fee, as determined by MSA from time to time and contained in the annual MSA Handbook and Appendices, must accompany the application, which payment will be held in trust by MSA until final approval of the application by ManCom.
- 11.4.13 Any club, company, body corporate, statutory body, partnership or association who applies for membership, may be required to lodge a deposit (the amount of which will be determined by the BOD from time to time) in addition to the current registration and affiliation fees, which deposit will be refunded to the club, company, body corporate, statutory body, partnership or association after the elapse of 12 (twelve) months after acceptance as a member of MSA, once it has been established that the member is in a position to meet its financial obligations.
- 11.4.14 All applicants, upon becoming corporate members, shall abide by the provisions of this Memorandum, the General Competition Rules, Standing Supplementary Regulations and other motorsport regulations issued by MSA from time to time.
- 11.4.15 The BOD shall have the right to terminate or suspend a member's membership of MSA if:
- 11.4.15.1 the member no longer fulfils the conditions of membership as prescribed in this Memorandum; or
- 11.4.15.2 in the opinion of the MSA BOD, the member acts contrary to the interests of motorsport or MSA and/or the objectives of MSA; or
- 11.4.15.3 in the opinion of the BOD, it is inimical to the interests of MSA that the member should continue as a member of MSA.
- 11.4.16 The BOD shall give the member concerned written notice of termination of membership and the member concerned shall thereafter be entitled to within 28 (twenty-eight) days of being notified of the termination of its membership, and on 7 (seven) days written notice, have the right to make representations to the BOD. Within 7 (seven) days of the hearing the BOD may, upon such terms, if any, it may deem appropriate and without any obligation to give reason, rescind or confirm the suspension or expulsion, or amend it, and until such rescission or confirmation or amendment is made no public announcement within or outside MSA of such suspension or expulsion shall be made.
- 11.4.17 A member shall automatically and forthwith cease to be a member if:
- 11.4.17.1 any amount due to MSA is not paid on or before due date or within such period of grace after due date as may be determined from time to time by the BOD; or
- 11.4.17.2 the member is placed in provisional or final liquidation or under judicial management; or
- 11.4.17.3 the member engages in the manifesting of racial, gender, political and/or religious discrimination in the course of its activities; or
- 11.4.17.4 the member gives written notice of resignation.
- 11.4.18 A member whose membership has been terminated shall:
- 11.4.18.1 remain liable for all sums that may be due to MSA by the member on the date of termination of his membership;
- 11.4.18.2 not have any claim against MSA, its officers, its property or its funds;
- 11.4.18.3 not be entitled to repayment of any prepaid subscription or any other prepayments, and;
- 11.4.18.4 remain liable in terms of its guarantee for the liabilities of MSA as provided for in this Memorandum.

12. FEES AND SUBSCRIPTION

- 12.1 The BOD shall from time to time in their discretion determine:
- 12.1.1 the registration process and the annual membership fees payable by members;
- 12.1.2 whether any other fees shall be payable by members;
- 12.1.3 whether any class of members shall be exempted from the requirement of any fees;
- 12.1.4 whether there should be any differentiation between any classes of members in regard to the requirement of any fees;
- 12.1.5 the amount of any fees.
- 12.2 Fees shall be due and payable on the first day of each renewal period as determined by MSA whether or not statements of account have been received by members by that date.
- 12.3 No member shall be entitled, whilst any sum due to MSA is overdue, to exercise any of the rights or privileges of membership including, but without being limited to, the right to vote at general meetings.

13. GUARANTEE

Each member, upon becoming a member of MSA, undertakes to contribute to the assets of MSA in the event of its being wound up whilst he is a member or within 1 (one) year thereafter, for payment of the debts and liabilities of MSA contracted before he ceased to be a member and for the costs, charges and expenses of winding-up, and for adjustment of the rights of the contributors amongst themselves, in an amount of R1.00 (one Rand).

14. STRUCTURE OF MSA

- 14.1 The structure of MSA shall be the following:
- 14.1.1 Board of Directors;
 - 14.1.2 Secretariat;
 - 14.1.3 National Court of Appeal;
 - 14.1.4 Management Committee;
 - 14.1.5 Specialist Panels;
 - 14.1.6 Sporting Commissions;
 - 14.1.7 Regional Committees;
 - 14.1.8 any other permanent or temporary commission or sub-committee which may be formed by the BOD and/or ManCom and/or MSA Secretariat.
- 14.2 MSA shall be governed and directed by the BOD who shall act and be responsible for MSA as prescribed in the Companies Act, 2008 (as amended), Memorandum of Incorporation, and resolutions of constituted meetings of directors.

15. MSA BOARD

The Board of Directors shall consist of:

- 15.1 Chairman of the BOD (non-executive) - appointed by the BOD
- 15.2 The Chief Executive Officer
- 15.3 The Financial Director (non-executive) – appointed by the BOD
- 15.4 9 (nine) members elected by the corporate members
- 15.5 Up to 4 (four) additional members appointed by the BOD – see article 17 below
- 15.6 The number of directors shall be determined by the BOD but shall not exceed 15 (fifteen) members, excluding the Chairman (See Art. 23.7).

16. DIRECTORS

- 16.1 The non-executive directors are elected and appointed for a 3 (three) year term of office.
- 16.2 Elected/appointed directors must cease to be Regional Chairmen as soon as they become directors.
- 16.3 The period of office of the CEO is not fixed, and shall be determined by the agreed terms and conditions contained in his/her MSA employment agreement, but shall not exceed 2 (two) five year terms.
- 16.4 The CEO shall be appointed by the BOD, which appointment shall require a 2/3rd (two-third) majority vote of all BOD members in favour of such appointment.
- 16.5 The term of office of the Chairman and the Financial Director shall be 3 (three) years.
- 16.6 No more than one representative or employee of a specific motorsport-related entity or organization may serve as a director at any given time. Likewise, no more than one member of an immediate family or their spouses may serve as a director at any given time. Any disputes in this regard shall be resolved by the Company's members at the Annual General Meeting where the election of the disputed directors takes place.

17. ADDITIONAL DIRECTORS

Additional directors who were appointed in terms of article 15.5 shall cease to hold office at the termination of the first annual general meeting to be held after the appointment of such a person as a director unless their appointment is confirmed at such annual general meeting.

18. ROTATION OF DIRECTORS

- 18.1 The directors nominated and elected by the Corporate Members, as well as the directors appointed by the BOD, may make themselves available for re- election at the end of their term of office.
- 18.2 Retiring directors shall, unless they are disqualified in terms of this Memorandum:
 - 18.2.1 be eligible for re-election or appointment for a further 3 (three) year term of office; and
 - 18.2.2 be deemed to have been automatically nominated for re-election or appointment.
 - 18.2.3 After having served 2 (two) consecutive 3 (three) year terms of office (six years in total), all directors will be required to vacate their office for at least one 3 (three) year term of office – whereafter they will again be eligible for re-election or appointment.
 - 18.2.4 To ensure continuity, 50% (fifty per centum) of the elected directors, rounded up to the nearest whole number, will be required to vacate their positions at the end of their fifth year in office, and nominations for a 3 (three) year term of office will be called for to fill these vacant positions. The newly elected directors will be eligible for re-election for a further 3 (three) year term of office at the end of their first 3 (three) year term of office as set out in Art. 18.2.3 above.
 - 18.2.5 The names of the 50% (fifty per centum) of directors – rounded up to the nearest whole number - who will be required to vacate their positions at the end of their fifth year in office, will be drawn in the presence of all directors at the last board meeting of that year. These directors will be eligible for re-election as catered for in Art. 18.2.3 above.

19. POWERS AND DUTIES OF DIRECTORS

- 19.1 The BOD shall carry out the objectives of MSA in such manner as it may deem fit and proper, subject, however, to the general policy of MSA and to any special instruction as may be laid down or given by the members in general meeting from time to time.

- 19.2 Subject to the Act or any amendment thereof, and subject to the regulations promulgated in terms of the Act, the directors may exercise all such powers that are not inconsistent with this Memorandum or any provisions that may be prescribed by MSA in general meetings.
- 19.3 No regulation made by MSA in general meeting shall invalidate any prior act of the directors, which would have been valid if such regulation had not been made.
- 19.4 The BOD shall have the right, on good cause shown, to summarily remove all or any of the members of the National Court of Appeal, Specialist Panel, Sporting Commission, Regional Committee and any sub-committee appointed by aforementioned bodies.

20. REMUNERATION

- 20.1 The directors shall be entitled to such remuneration as may be determined from time to time by MSA in general meeting or by the MSA BOD, provided that no director shall be entitled to vote in respect of his own remuneration. In addition, the directors shall be entitled to all reasonable expenses of attending and travelling to and from meetings of the directors.
- 20.2 Should any director be called upon to perform extra services for any of the purposes of MSA, the BOD may remunerate that director either by salary or by a fixed sum or otherwise and such remuneration may be either in addition to, or in substitution for, any other remuneration determined under this Memorandum, and the MSA BOD may also refund to such director all reasonable expenses incurred by him while acting in the course of the business of MSA.

21. DISCLOSURE OF INTERESTS / CONFLICTS OF INTEREST

- 21.1 Every director shall comply with the provisions of Sections 75 and 76 of the Act.
- 21.2 Without derogating from the provisions of the preceding article, every director shall declare any interest, direct or indirect, material or otherwise, which such director has in any contract or arrangement which at the time of such declaration has been proposed or has been entered into by MSA with any person whomsoever. For the purposes of this article a director shall be deemed to have an interest in any contract between MSA and any company, corporation, body, trust or partnership in which such director is a member, director, trustee, partner or a member unofficially holding a material interest therein. Every interest to be declared in terms of this article shall be declared and minuted in the manner and at the time prescribed by Sections 73 and 75 of the Act.
- 21.3 In no case shall a director who has an interest which requires to be declared in terms of this Memorandum vote as a director upon any question relating to such transaction, and if he does so his vote shall not be counted. This prohibition shall not apply to:
- 21.3.1 any indemnity in favour of the director or any of them; or
- 21.3.2 any contract or arrangement with a company, corporation, body or partnership of which any of the directors are members, directors or partners.
- 21.4 MSA in general meeting may suspend or relax to any extent the provisions contained in article 21.3.
- 21.5 Nothing contained in article 21.3 shall be construed so as to debar any director as a member from taking part in and debating all questions submitted to a meeting of members.
- 21.6 Notwithstanding the provisions above, and at board meetings, the chairman may request or, if necessary, demand that a director recuse himself/herself from any board discussion and/or decision where, in the opinion of the chairman, the director concerned is conflicted.

22. VACATION OF OFFICE

- 22.1 The office of director (including the chairman) shall, notwithstanding the provisions of any agreement between MSA and the directors or the chairman, be vacated if the director/chairman:
- 22.1.1 ceases to be a director or becomes prohibited from becoming a director by virtue of any provision of the Act; or
- 22.1.2 resigns his office by notice in writing to MSA; or
- 22.1.3 is removed by ordinary resolution of MSA of which special notice has been given, provided that the other formalities prescribed by Section 71 of the Act are complied with; or
- 22.1.4 is removed by resolution in writing signed by at least 2/3rd (two-thirds) of the BOD rounded up to the nearest whole number; or
- 22.1.5 is absent for more than 2 (two) consecutive meetings without permission of the directors from meetings of directors held during that period and is removed by resolution in writing signed by a 2/3rd (two third) majority of his co-directors; or
- 22.1.6 becomes insane; or
- 22.1.7 becomes insolvent or compounds with his creditors or is sequestrated, whether provisionally or finally; or
- 22.1.8 attains the retirement age determined by the directors from time to time.
- 22.2 Nothing contained in article 22 shall prejudice any claim for damages arising from a breach of any agreement of service entered into between MSA and a director.
- 22.3 In the event of interim elections or appointments during a term of office to fill a vacancy, the candidate shall be elected/appointed only for the remaining period.

23. DIRECTORS' MEETINGS

- 23.1 Any director may at any time call a meeting of the directors.

- 23.2 Where any director wishes to call a meeting of directors, he shall instruct the CEO to that effect and the CEO shall give notice of the meeting in accordance with article 23.3. A director may, nevertheless, of his own volition, give notice of the meeting in accordance with article 23.3.
- 23.3 Every meeting of directors shall, except in a case of urgency be called by not less than 14 (fourteen) days' written notice given by the secretary or CEO on the instruction of a director, or by a director, of his own volition. Such notice shall state the date, place and time of the meeting and shall as far as possible state the business of the meeting.
- 23.4 If in any matter requiring urgent attention, it is not possible to call a meeting by 14 (fourteen) days' written notice then a meeting of directors may be called by such notice given in writing or verbally or by telephone, facsimile, e-mail or in any other manner that is available at that stage and under the circumstances.
- 23.5 The quorum necessary for the transaction of the business of the directors may be fixed by the directors from time to time, and unless so fixed shall be not less than 60% (sixty per centum) of the full BOD rounded up to the nearest whole figure. No business shall be transacted unless a quorum is present at the time of the business being transacted.
- 23.6 If, within half-an-hour after the time appointed for the meeting a quorum is not present, the meeting shall be adjourned and the resumed meeting shall take place on the 7th (seventh) day after the date of the original meeting, or on the next day, excluding Saturdays, Sundays and public holidays if the 7th (seventh) day is a public holiday in the Republic of South Africa.
- 23.7 The continuing directors may act notwithstanding any vacancy in their body, but if their number is reduced below the number fixed in article 23.5 as the necessary quorum of directors the continuing directors may act for the purpose of increasing the number of directors to that number or for the purpose of convening a general meeting of MSA, but for no other purpose.
- 23.8 The directors at a meeting of the BOD shall appoint, by a simple majority of votes cast, a Chairman of the BOD who shall remain in office for 3 (three) years but shall be eligible for re-appointment to this position. Should the BOD appoint one of the elected directors as Chairman, that director is to resign and another director may be elected to fill this vacancy.
- 23.9 All voting shall be by secret ballot from nominations or a list of candidates eligible. The successful candidate will be elected by a simple majority of votes cast.
- 23.10 Should there be more than 2 (two) candidates, the system whereby the candidate obtaining the lowest number of votes at each successive poll withdraws, shall be applied.
- 23.11 In the case of equality of votes the directors entitled to vote will be called upon for a further ballot. If, at this time, the candidates are still tied, retiring office bearers who are not standing for election will be asked to participate in a further ballot.
- 23.12 If at any meeting of directors, the Chairman is not present within 10 (ten) minutes after the time appointed for holding the meeting, the directors present may elect one of their number to be chairman of the meeting.
- 23.13 The directors may regulate and adjourn their meetings as they deem fit.
- 23.14 Not less than 4 (four) meetings of directors shall be convened during each calendar year. A minimum of 14 (fourteen) days' notice shall be given for a meeting to be held.
- 23.15 The MSA Secretariat will cause minutes to be taken of all resolutions and other proceedings in terms of section 73 of the Act at meetings and within 14 (fourteen) working days after the date of each meeting, forward copies to all directors.
- 23.16 Meetings may take place electronically as envisaged by section 73 of the Act.

24. DIRECTORS' RESOLUTIONS

- 24.1 The powers of the directors shall be exercised by resolution of a meeting of directors. Any such resolution shall be determined by a majority of votes of the directors present and in the event of an equality of votes the Chairman shall have a casting vote in addition to a deliberative vote.
- 24.2 Subject to the provisions of this Memorandum in regard to the number of directors necessary to form a quorum, a director may authorise any other director to vote for him at any meeting or meetings at which he is not present. Any director authorised shall, in addition to his one vote, have a vote for each director by whom he is authorised. Such authority must be granted in writing and any such document shall be produced at the meeting or at the first meeting at which such authority is exercised, and shall be left with the secretary for filing.

25. CIRCULATED RESOLUTIONS

A resolution in writing signed by at least 60% (sixty per centum) of the directors who may at the time be present in the Republic, being not less than a quorum of directors, shall be valid as if it has been passed at a meeting of the directors duly held and constituted. Any such resolution may consist of several documents in like form, each signed by one or more of the signatories to the resolution. A resolution of the directors passed in terms of this article shall be entered in the directors' minute book and be noted at the next succeeding meeting of the directors.

26. EXECUTIVE DIRECTORS

- 26.1 The directors may from time to time appoint one or more of their body to any executive office in MSA, and may from time to time remove or dismiss the person or persons so appointed and appoint another person or persons in his or their place or places. Every such appointment shall be made by a quorum of disinterested directors.
- 26.2 The remuneration of executive directors shall from time to time be fixed by the Remuneration Committee

- as referred to in the Internal Regulations or by a committee appointed by the BOD, provided that no executive director shall be entitled to vote in respect of his own remuneration.
- 26.3 The directors may from time to time entrust to and confer upon the CEO or other executive director or officer of MSA for the time being such powers exercisable under this Memorandum by the directors as they may deem fit, and may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the directors on their behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- 26.4 A person appointed to an executive office shall be subject to the like provisions relating to vacation of office as the other directors of MSA.

27. COMMITTEES

- 27.1 The directors may delegate any of their powers to a committee or committees consisting of such member or members as they deem fit. Any committees so formed shall, in the exercise of the powers so delegated, conform to any rules issued by the directors from time to time.
- 27.2 A committee may elect a chairman of its meeting. If no such chairman is elected, or if at any meeting the chairman is not present within 10 (ten) minutes after the time appointed for holding the same, the members present may elect one of their number to be chairman of such meeting.
- 27.3 A committee may meet and adjourn as it may deem fit. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the event of an equality of votes the chairman shall have a casting vote in addition to a deliberative vote.
- 27.4 Any director who serves on any committee or who devotes special attention to the business of MSA in such capacity may be paid such extra remuneration, in addition to any other remuneration to which he may be entitled as a director, by way of salary or otherwise as the directors may determine, provided that no director shall be entitled to vote in respect of his own remuneration.
- 27.5 Without prejudice to the general powers of the directors the directors may:
- 27.5.1 appoint person's resident in a foreign country to be a local committee for MSA in that country; remove or suspend such local committee or any members thereof; and fix and vary the remuneration payable to the members of any such committee;
- 27.5.2 appoint and remove agents to represent MSA for such purposes as the directors may determine;
- 27.5.3 give such agents the power to appoint substitute agents to act in their place during their absence or inability to act, to remove such substitutes, and to appoint others; and
- 27.5.4 grant such committee members or agents power to appoint other persons and co-committee members or joint agents.

28. AGENTS

- 28.1 The directors may, at any time and from time to time, by way of power of attorney, appoint any person or persons to be the agent or attorney of MSA for such purposes and with such powers, authority and discretions, not exceeding those vested in or exercisable by the directors under this Memorandum, and for such period and subject to such conditions as the directors may from time to time deem fit, and any such appointment may, if the directors deem fit, be made in favour of the members of any of the members of any local committee established under this Memorandum, or in favour of any company or the members, directors, nominees or board of directors of any company or firm or in favour of any varying body of persons, whether nominated directly or indirectly by the directors, and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the directors may deem fit.
- 28.2 Any such agent or attorney may be authorised by the directors to delegate all or any of the powers, authorities and discretions for the time being vested in them.

29. BORROWING POWERS

The directors shall be entitled to raise or borrow such sums of money upon such terms and conditions as they shall determine and to secure the payment or repayment of any sums of money so raised or borrowed or the payment of any other debt, obligation or liability of MSA in such manner as they shall determine and in particular by pledging, mortgaging or otherwise encumbering all or any of MSA's assets.

30. PENSION / PROVIDENT FUNDS

- 30.1 The directors may establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension, provident or other super-annuity funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to:
- 30.1.1 any persons who are or were at any time in the employment or service of MSA;
- 30.1.2 any persons who are or were at any time salaried directors or salaried officers of MSA; and
- 30.1.3 the wives, widows, families and dependents of any person specified in articles 30.1.1 or 30.1.2.
- 30.2 A director shall be entitled to participate in and retain for his own benefit any donation, gratuity, pension, allowance or emolument granted in terms of this article.

31. CLUBS AND CHARITIES

The directors may establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated

to be for the benefit of or to advance the general interests and well-being of MSA or its members, and make payments for or towards the insurance of any such persons, and subscribe or guarantee money for any charitable or benevolent objectives or for any exhibition, or for any public, general or useful object, and do any of the matters aforesaid, either alone or in conjunction with any other person.

32. LIMITATION OF LIABILITY OF DIRECTORS AND OFFICERS

- 32.1 Each director, manager, sport coordinator, secretary and other officer of MSA shall be indemnified by MSA against any liability incurred by him in that capacity in defending any proceedings (whether civil or criminal) in which judgment is given in his favour or in which he is acquitted or in respect of any of those proceedings which are abandoned or in connection with any application made in terms of the Act in which relief is granted to him by a court of competent jurisdiction.
- 32.2 Subject to the provisions of Section 78 of the Act, every director, manager, sport coordinator, secretary and other officer or employee of MSA shall be indemnified and held harmless by MSA against, and it shall be the duty of the directors out of the funds of MSA to pay, all costs, losses and expenses, including travelling expenses, which any such officer or employee may incur or become liable to pay by reason of any contract entered into, or any act or omission done or omitted to be done by him in the discharge of his duties or in his capacity as such officer or employee.
- 32.3 Subject to the provisions of the Act and unless the same be attributed to his own negligence, default, breach of duty or breach of trust, no director, manager, sport coordinator, secretary or other officer or employee of MSA shall be liable for:
- 32.3.1 any act or omission of any other officer or employee of MSA;
 - 32.3.2 any loss or expense suffered by MSA in consequence of any absence of, or any defect in any title to any property acquired by order of the directors for or on behalf of MSA;
 - 32.3.3 any absence of, or defect in, any security upon which any of the moneys of MSA shall be invested;
 - 32.3.4 any loss or damage arising from the insolvency or derelictual act of any person with whom any moneys, securities or assets shall be deposited;
 - 32.3.5 any loss or damage occasioned by any error of judgment or oversight on the part of such officer or employee; or
 - 32.3.6 any other loss, damage or misfortune whatever which shall happen in or in relation to, the execution of his office or employment.

33. HONORARY POSITIONS

- 33.1 MSA may elect one or more persons, distinguished in promoting or encouraging the interests of motorsport to be Patron(s) and/or Honorary President(s) of MSA. The Patron(s) and/or Honorary President(s) shall be appointed, as well as removed and/or replaced, by the BOD.
- 33.2 The Patron(s) and/or Honorary President(s) shall have the right to attend any meeting of MSA but without the right to vote.

34. MSA SECRETARIAT

- 34.1 The MSA Secretariat shall consist of:
- 34.1.1 the CEO;
 - 34.1.2 staff appointed by the CEO; and
 - 34.1.3 such other persons as may be appointed by ManCom, or the BOD acting on the recommendation of ManCom.
- 34.2 The MSA Secretariat shall attend to the implementation of resolutions passed by the BOD, ManCom, Sporting Commissions, Specialist Panels, Regional Committees and their sub-committees, within the jurisdiction of the powers and responsibilities for which they are authorised to function.
- 34.3 The Secretariat shall attend to all secretarial and administrative matters on behalf of the BOD and ManCom.
- 34.4 The CEO shall report and shall be accountable to the BOD in respect of the implementation of all motorsport and strategic policies, financial and administrative matters and specific responsibilities or duties which are authorised.
- 34.5 Members of the Secretariat are entitled to be in attendance at any meeting of the Sporting Commissions, Specialist Panels, Regional Committees, sub-committees, etc. It is their responsibility to take minutes if a Secretary or Minutes Clerk is not in attendance, to advise the committee on matters of procedure and to draw attention to relevant motorsport regulations, previous minutes and BOD and ManCom policy.

35. NATIONAL COURT OF APPEAL (NCA)

- 35.1 The National Court of Appeal shall comprise of a maximum of 15 (fifteen) members. They must constitute a body being competent both in sporting and legal matters.
- 35.2 Members will be appointed by the BOD and may be removed/replaced at the BOD's discretion.
- 35.3 The Court shall be convened at the request of the CEO or the Sporting Manager/s.
- 35.4 The minimum number of members present at a meeting/hearing shall generally be 3 (three) unless exceptional circumstances exist, in which case no meeting/hearing may proceed unless at least 2 (two) members are present.
- 35.5 Where necessary, the NCA will elect its President/Chairman at every Appeal hearing by a simple majority of votes cast by the members present at a meeting.

36. MANAGEMENT COMMITTEE (MANCOM)

- 36.1 ManCom shall consist of:
- 36.1.1 the Chief Executive Officer;
 - 36.1.2 persons appointed as Managers;
 - 36.1.3 any other position(s) as determined by the BOD from time to time.
- 36.2 **Chairman**
- 36.2.1 The Chairman of ManCom will be the CEO.
 - 36.2.2 If the CEO is unable to attend a meeting, the meeting shall elect a Chairman from amongst the members, providing a quorum is present.
- 36.3 **Overriding Control**
- 36.3.1 ManCom shall at all times remain subject to the overriding control of the BOD, and the BOD shall have the authority to veto any Resolution of ManCom should it deem such Resolution not to be in the best interests of MSA or the sport in general.
 - 36.3.2 The CEO shall have the authority to veto any Resolution of the ManCom and refer such to the BOD.
- 36.4 **Objectives and authorities**
- The administration and management of the affairs and business of MSA has been vested in ManCom and it has full powers to act within the scope of the policy of MSA as laid down by the BOD and to exercise such functions as the BOD may from time to time request. Furthermore, ManCom shall have all the powers conferred upon it and may exercise these powers as follows:
- 36.4.1 any powers and duties not vested in the Sporting Commissions, Specialist Panels, Regional Committees or sub-committees;
 - 36.4.2 to decide policy on secretarial, administration, financial and staff matters, subject to final approval of the BOD;
 - 36.4.3 the right to decide and adjudicate on any urgent question relating to motorsport within South Africa, Lesotho and Swaziland which is not covered in this Memorandum or in the current MSA Handbook and Appendices, or on matters not covered by the Secretariat;
 - 36.4.4 the right to veto on behalf of the BOD if a decision on any matter other than judicial is considered detrimental to MSA or motorsport in general;
 - 36.4.5 to overrule any decision, other than judicial, of a Sporting Commission, Specialist Panel, Regional Committee and sub-committee which has, in the opinion of ManCom, an impact on the business of MSA and which has not been ratified by ManCom;
 - 36.4.6 approve proposed additional staff appointments. In the case of appointments at Management level, these will be reported to the BOD;
 - 36.4.7 to consider new applications for corporate membership, or changes to membership of MSA and to notify the BOD regarding accepted applications;
 - 36.4.8 such additional powers that may from time to time be conferred upon it by the BOD.
- 36.5 **Meetings**
- 36.5.1 Not less than 1 (one) meeting of ManCom shall be convened during each month, and all Minutes of ManCom meetings shall be made available to the BOD if required.
 - 36.5.2 If in the opinion of the Chairman of ManCom any matter requires urgent attention, a meeting may be called by such notice being given in writing, verbally, by telephone, or e-mail.
 - 36.5.3 The quorum at any meeting of ManCom shall be 3 (three) of its members. If there is no quorum at a meeting, it shall stand adjourned.
 - 36.5.4 A resolution passed by a majority of members present at a meeting shall be valid and binding as a resolution of ManCom.
 - 36.5.5 In the event of an equality of votes, the Chairman of the meeting shall have a casting vote in addition to a deliberative vote.
 - 36.5.6 Only with the permission of, or at the invitation of, the Chairman may persons other than ManCom members be present.
- 36.6 **Minutes**
- Minutes of all meetings will be taken and circulated to all ManCom members immediately after each meeting, and with the BOD being kept fully informed of all important decisions taken by ManCom affecting the company or the sport in general.

37. SPORTING COMMISSIONS

- 37.1 The CEO and the Secretariat shall be assisted in their duties and responsibilities by Sporting Commissions who will endeavour to ensure the smooth running, promotion and development of the particular facet of the sport for which they are responsible.
- 37.2 The various Sporting Commissions shall be listed in MSA's Internal Regulations.
- 37.3 **Structure**
- 37.3.1 The structure of a new Sporting Commission shall be determined by the BOD acting on the recommendation of ManCom.
 - 37.3.2 The structure of existing Sporting Commissions shall be determined from time to time by the BOD acting on the recommendation of ManCom.

37.4 **Presidents and Vice-Presidents**

- 37.4.1 The Commission Presidents shall be appointed by the BOD acting on the recommendation of the CEO and ManCom.
- 37.4.2 The Executive Committee of each Sporting Commission for a particular category of motorsport shall be appointed by the CEO and the Commission President, in consultation with members of the Commission concerned.
- 37.4.3 The term of office of a Commission President and Commission members shall be 3 (three) years to ensure continuity, and the terms of office of all Commission Presidents shall commence and end in the same year.
- 37.4.4 The President of a Sporting Commission must cease to be the representative of a Regional Committee, Association or Club, where applicable.
- 37.4.5 A Vice-President of each Sporting Commission may be elected annually by the members of that Sporting Commission from amongst its members.
- 37.4.6 In the event of interim elections or appointments during a term of office to fill a vacancy, the candidate shall be elected or appointed only for the remaining period.

37.5 **Members**

- 37.5.1 Members of a Sporting Commission shall be listed on MSA's website.
- 37.5.2 The maximum number of members of a commission shall be 10 (ten) including the Commission President, experts and any MSA appointees appointed by the CEO.
- 37.5.3 The members of Sporting Commissions shall remain in office for 3 (three years) to ensure continuity, but shall not be precluded from being appointed/elected/nominated for a further 3 (three) year term of office.
- 37.5.4 After having served 2 (two) consecutive 3 (three) year terms of office (six years in total), all members, including the President, shall normally be required to vacate their office for at least one 3 (three) year term of office – whereafter they will again be eligible for re-election. In exceptional circumstances, ManCom may allow a maximum of 3 (three) existing commission members who would normally be required to stand down after having served 2 (two) consecutive terms of office, to remain as members of a commission for up to a further three-year term. The continued position of such members shall be reviewed annually by ManCom and such members shall serve in the capacity of MSA appointees. Any person so retained after their initial terms of office have expired shall not be permitted to serve in the capacity of Commission President for a period greater than one additional year.
- 37.5.5 To ensure continuity, 50% (fifty per centum) of the members, rounded up to the nearest whole number, will be required to vacate their positions at the end of their fifth year in office, and nominations for a 3 (three) year term of office will be called for to fill these vacant positions. The newly elected members will be eligible for re-election for a further 3 (three) year term of office at the end of their first 3 (three) year term of office as set out in Art. 37.5.4 above.
- 37.5.6 The names of the 50% (fifty per centum) of members – rounded up to the nearest whole number - who will be required to vacate their positions at the end of their fifth year in office, will be drawn in the presence of all members at the last Commission meeting of that year. These members will be eligible for re-election / re-appointment as catered for in Art. 37.5.4 above.
- 37.5.7 If, in the course of his term of office, a member of a Sporting Commission ceases to be the nominated representative of a region and/or club and/or Association, his term of office is automatically terminated. The vacant seat will be filled at the discretion of ManCom in consultation with the Commission concerned and/or the Region and/or Club and/or Association that nominated the member whose term of office is terminated.

37.6 **Objectives and Authorities**

- 37.6.1 The duty of each Sporting Commission is to advise, assist and inform the CEO and/or Manager on specific matters in respect to the Commission's particular facet of sport.
- 37.6.2 Sporting Commissions shall have such authority and control in motorsport matters within the parameters laid down in the MSA internal regulations and/or determined by the CEO.
- 37.6.3 Sporting Commissions do not have the authority to decide on administrative or financial matters which may have a direct impact on MSA and such must be referred to the CEO.

37.7 **Meetings**

- 37.7.1 Each Sporting Commission shall hold a meeting during February and July or August of each year, unless otherwise directed by the BOD. The CEO may authorise additional meetings, but only in exceptional circumstances, and to discuss matters of an urgent nature.
- 37.7.2 The quorum at any meeting of the Sporting Commission shall be not less than ½ (one-half) of its members. If there is no quorum at a meeting it shall stand adjourned and shall be held on a day not earlier than 7 (seven) days, but not more than 14 (fourteen) days thereafter at the same place and time and those present at such adjourned meeting shall constitute a quorum.
- 37.7.3 A resolution passed by a majority of members present at a meeting shall be valid and binding as a resolution of the Sporting Commission, subject to the approval of ManCom.
- 37.7.4 In the event of an equality of votes, the Chairman of the meeting shall have a casting vote as well as a deliberative vote.
- 37.7.5 The President or, in his absence, the Vice-President shall be the Chairman at all meetings.
- 37.7.6 In the absence of both President and Vice-President, the Chairman of the meeting shall

- 37.7.7 be elected by those present at the meeting.
Sporting Managers are required to attend all Commission meetings under their portfolio, and shall have voting rights.
- 37.8 **Sub-Committees**
A Sporting Commission may appoint or dissolve such sub-committees as may be considered necessary and may delegate to such sub-committees such of the powers and duties of Sporting Commissions as may be deemed appropriate. Each sub-committee shall have a Chairman and, if considered necessary, a Vice-Chairman, appointed in both cases by the Sporting Commission.
- 37.9 **Minutes**
Minutes of the proceedings of all Sporting Commissions and Sub-Committees shall be taken, and copies shall be circulated to ManCom within 14 (fourteen) working days after the date of each meeting.
- 38. SPECIALIST PANELS**
- 38.1 The CEO and the Secretariat shall be assisted in their duties and responsibilities by Specialist Panels, who will be responsible for a particular specialist field of motorsport falling within its jurisdiction.
- 38.2 The various Specialist Panels shall be listed in the Internal Regulations.
- 38.3 **Structure**
The structure of Panels shall be determined by ManCom and shall be listed on MSA's website.
- 38.4 **President and Vice President**
- 38.4.1 The President of each Specialist Panel shall be appointed for a 3 (three) year term of office by the BOD on the recommendation of the CEO
- 38.4.2 A Vice-President of each Specialist Panel may be elected annually by the members of that Specialist Panel from amongst its members.
- 38.5 **Specialist Panel Members**
- 38.5.1 Members of a Specialist Panel shall be appointed by ManCom based on their expertise in the field for which the Panel is responsible.
- 38.5.2 The members of Specialist Panels, including the President, shall serve 3 (three year) terms of office for as long as ManCom is satisfied that they continue to serve the interests of the sport.
- 38.5.3 If, in the course of his term of office, a member of a Specialist Panel ceases to be the nominated representative of a region and/or club and/or Association, the term of office is automatically terminated. The vacant seat will be filled at the discretion of the CEO in consultation with the President of the Panel concerned.
- 38.6 **Objectives and authorities**
- 38.6.1 The duty of each Specialist Panel is to advise, assist and inform the CEO and/or ManCom on specific matters with regard to the Panel's particular field of expertise.
- 38.6.2 Specialist Panels shall have such authority and control in matters within the parameters laid down in the MSA internal regulations and/or determined by the CEO.
- 38.6.3 Specialist Panels do not have the authority to decide on administrative or financial matters which could have an impact on MSA and such must be referred to the CEO.
- 38.7 **Meetings**
- 38.7.1 Each Specialist Panel shall hold a meeting during February and July or August of each year, unless otherwise directed by the BOD. The CEO may authorise additional meetings, but only in exceptional circumstances and to discuss matters of an urgent nature.
- 38.7.2 The quorum at any meeting of the Specialist Panel shall be not less than ½ (one-half) of its members. If there is no quorum at a meeting it shall stand adjourned and shall be held at a day not earlier than 7 (seven) days, but not more than 14 (fourteen) days thereafter at the same place and time and those present at such adjourned meeting shall constitute a quorum.
- 38.7.3 A resolution passed by a majority of members present at a meeting shall be valid and binding as a resolution of the Specialist Panel subject to the approval of the CEO and/or the appropriate Manager.
- 38.7.4 In the event of an equality of votes, the chairman of the meeting shall have a casting vote as well as a deliberative vote.
- 38.7.5 The President or, in his absence, the Vice-President shall be the chairman at all meetings.
- 38.7.6 In the absence of both President and Vice-President, the chairman of the meeting shall be elected by those present at the meeting.
- 38.8 **Sub-Committees**
A Specialist Panel may appoint or dissolve such sub-committees as may be considered necessary and may delegate to such sub-committees such of the powers and duties of Specialist Panels as may be deemed appropriate. Each sub-committee shall have a Chairman and, if considered necessary, a Vice-Chairman, appointed in both cases by the Specialist Panel.
- 38.9 **Minutes**
Minutes of the proceedings of all Specialist Panels and Sub-Committees shall be taken, and copies shall be circulated to the ManCom members within 14 (fourteen) working days after the date of each meeting.

39. REGIONAL COMMITTEES

- 39.1 **Regions**
Regional Committees shall be constituted in such regions within the Republic of South Africa as may be determined from time to time by the BOD.
- 39.2 **Composition**
- 39.2.1 The number of members and the composition of each Regional Committee shall be determined from time to time by ManCom.
- 39.2.2 Members of each Regional Committee shall be elected by organising clubs in the region by simple majority vote. However, MSA reserves the right to appoint up to a maximum of 25% (twenty-five per centum) of the members of each Regional Committee, acting on the recommendation of the Chairman of the Regional Committee in consultation with ManCom.
- 39.2.3 Regional Committees shall be permitted to appoint an expert, or experts, to the committee, who shall be entitled to (but not be obliged to) attend all regional committee meetings and receive minutes, but who shall have no voting rights.
- 39.2.4 The Regional Coordinator/s shall attend all meetings, but shall not have voting rights.
- 39.3 **Chairman and Vice-Chairman**
The Chairman and Vice Chairman of the Regional Committee will be elected for 3 (three) years by the Regional Committee from amongst its members by simple majority vote. The appointment is subject to ratification by ManCom.
- 39.4 **Regional Committee Members**
- 39.4.1 All members of a Regional Committee shall remain in office for 3 (three) years to ensure continuity, but shall not be precluded from being appointed/elected for a further three 3 (three) year term of office.
- 39.4.2 After having served 2 (two) consecutive 3 (three) year terms of office (six years in total), all members, including the chairman, will be required to vacate their office for at least one 3 (three) year term of office – whereafter they will again be eligible for re-election. In exceptional circumstances, ManCom may allow a maximum of 3 (three) existing regional committee members who would normally be required to stand down after having served 2 (two) consecutive terms of office, to remain as members of a regional committee for up to a further three-year term. The continued position of such members shall be reviewed annually by ManCom and such members shall serve in the capacity of MSA appointees. Any person so retained after their initial terms of office have expired shall not be permitted to serve in the capacity of Regional Chairman for a period greater than one additional year.
- 39.4.3 To ensure continuity, 50% (fifty per centum) of the members, rounded up to the nearest whole number, will be required to vacate their positions at the end of their fifth year in office, and nominations for a 3 (three) year term of office will be called for to fill these vacant positions. The newly elected members will be eligible for re-election for a further 3 (three) year term of office at the end of their first 3 (three) year term of office as set out in Art. 39.4.2 above.
- 39.4.4 The names of the 50% (fifty per centum) of members – rounded up to the nearest whole number - who will be required to vacate their positions at the end of their fifth year in office, will be drawn in the presence of all members at a Regional Committee meeting held during October of that year. These members will be eligible for re-election / re-appointment as catered for in Art. 39.4.3 above
- 39.4.5 If the term of office of a member of a Regional Committee is interrupted, the vacancy shall be filled at the discretion of the ManCom for the remainder of such term of office.
- 39.4.6 Any member of a Regional Committee who changes his domicile to another area/region shall immediately cease to be a member of the Regional Committee to which he was originally elected.
- 39.5 **Objectives and authorities**
- 39.5.1 The duty of each Regional Committee is to advise, assist and inform the Secretariat in respect of regional motorsport matters.
- 39.5.2 Regional Committees shall have such authority and control in motorsport matters within the regional limits assigned to them and within the MSA internal regulations and/or determined by ManCom.
- 39.5.3 Regional Committees do not have the authority to decide on administration, staff or financial matters of MSA in its region, but notwithstanding which it shall be competent for such Committee to make any suggestions with regard to these matters as it may deem desirable to the ManCom.
- 39.5.4 Regional Committees shall consider and recommend applications for corporate membership from clubs and/or associations within the region. In making its recommendations to ManCom, the Regional Committee concerned shall take into account whether the club and/or association meet the criteria set out in Art. 11.1.
- 39.5.5 Regional Committees shall have no power to incur any financial obligations in the name of MSA, or power to bind or pledge the credit of MSA in any way whatsoever without the written approval of the CEO.
- 39.6 **Exclusion of Powers**
- 39.6.1 Notwithstanding anything contained in article 39.5 above, a Regional Committee shall

not have the power or the duty to:

- 39.6.1.1 make regional policies that conflict in any way with national rules, regulations, instructions and policies; or
- 39.6.1.2 amend or add to any national rules, regulations, instructions or policies without the prior written approval of ManCom and/or Sporting Commission concerned;
- 39.6.1.3 draw up Regional rules, regulations or specifications in conflict with National rules, regulations or specifications without the prior approval of the Sporting Commission concerned.

39.7 Meetings

- 39.7.1 Each Regional Committee shall meet at intervals not exceeding 3 (three) months and at such other times as its chairman shall decide. A minimum of 7 (seven) days' notice shall be given for a meeting to be held.
- 39.7.2 The quorum at any meeting of the Regional Committee shall be not less than one-half of its members.
- 39.7.3 If there is no quorum at a meeting it shall stand adjourned and shall be held at a day not earlier than 7 (seven) days, but not more than 14 (fourteen) days thereafter, at the same place and time and those present at such adjourned meeting, shall constitute a quorum.
- 39.7.4 A resolution passed by a majority of members present at a meeting shall be valid and binding as a resolution of the Regional Committee.
- 39.7.5 In the event of an equality of votes, the chairman of the meeting shall have a casting vote as well as a deliberative vote.
- 39.7.6 The Chairman, or in his absence, the Vice- Chairman, shall be the chairman of all meetings. In the absence of both the Chairman and the Vice-Chairman, the chairman of the meeting shall be elected by those present at the meeting.

39.8 Absence from meetings

- 39.8.1 Any member who has been absent without leave or good cause for more than 2 (two) consecutive meetings shall be deemed to have resigned, and will immediately cease to be a member of the committee. The vacancy thus arising shall be filled at the discretion of ManCom.
- 39.8.2 In the event of interim elections or appointments during a term to fill a vacancy, the candidate shall be elected/appointed only for the remaining period.

39.9 Sub-Committees

The Regional Committee may appoint or dissolve such sub-committees as may be considered necessary and may delegate to such sub-committees such of the powers and duties of the Regional Committee as may be deemed appropriate. Each sub-committee shall have a Chairman and if considered necessary, a Vice-Chairman, appointed in both cases by the Regional Committee.

39.10 Minutes

Minutes of the proceedings of all committees shall be forwarded to ManCom within 14 (fourteen) working days after the date of each meeting, who shall be responsible for ensuring its distribution to all BOD members, Commission and Panel Presidents and other Regional Committee chairmen.

40. GENERAL MEETINGS

40.1 GENERAL

- 40.1.1 The directors may at any time convene general meetings of MSA. The directors shall convene a general meeting upon the request of members in terms of Section 61 of the Act. The members empowered by Section 61 of the Act may convene a general meeting in terms of that Section.
- 40.1.2 MSA shall hold an annual general meeting every year:
 - 40.1.2.1 not more than 15 (fifteen) months after the date of the last preceding annual general meeting; and
 - 40.1.2.2 not more than 9 (nine) months after the end of the last preceding financial year of MSA.
- 40.1.3 An annual general meeting or any other general meeting shall be held at such time and place as the directors shall appoint unless the Act provides differently.
- 40.1.4 General meetings may be convened electronically as provided for in the Act.

40.2 NOTICE

- 40.2.1 An annual general meeting and a meeting at which a special resolution is to be passed shall be convened on not less than 15 business days' notice in writing and any other general meeting shall be convened on not less than 15 business days' notice in writing, subject to the provisions of the Act requiring special notice.
- 40.2.2 The notice period for a general meeting shall be exclusive of the day on which it is served or deemed to be served and of the date of the meeting.
- 40.2.3 A notice of general meeting shall:
 - 40.2.3.1 specify the place, the day and the hour of the meeting;
 - 40.2.3.2 be given in at least one of the ways set out in article 42.6, and
 - 40.2.3.3 be given also to the directors and the auditors for the time being of MSA.

- 40.3 **QUORUM**
No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum necessary for the transaction of the business at any general meeting shall be at least 10% (ten per centum) of members, present either in person or by proxy, with the provision that at no time may this be less than 3 persons present in person. No business shall be transacted unless a quorum is present at the time of the business being transacted.
- 40.4 **CHAIRMAN**
The Chairman, or in his absence the CEO, shall preside as chairman at every general meeting of MSA.
- 40.5 **ADJOURNMENT**
- 40.5.1 If within half-an-hour after the time appointed for the meeting a quorum is not present:
- 40.5.1.1 the meeting, if convened upon the requisition of the members, shall be dissolved;
- 40.5.1.2 the meeting in any other case shall stand adjourned.
- 40.5.2 Should a meeting be adjourned in terms of the preceding article, then:
- 40.5.2.1 the resumed meeting shall take place on the 7th (seventh) day after the date of the original meeting, or on the next day, excluding Saturdays, Sundays and public holidays, if the 7th (seventh) day is a public holiday in the Republic of South Africa;
- 40.5.2.2 the resumed meeting shall take place at the same time of day and at the same venue, unless such venue is unavailable, in which event the venue shall be the registered office of MSA or some other suitable venue chosen by the directors and announced at the meeting prior to its adjournment;
- 40.5.2.3 the quorum for the resumed meeting shall be not less than 10% (ten per centum) of corporate members present at such adjourned meeting.
- 40.5.3 The Chairman of a general meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place.
- 40.5.4 No business shall be transacted at any adjourned general meeting other than the business left unfinished at the meeting which was adjourned.
- 40.6 **BUSINESS**
- 40.6.1 The annual general meeting shall deal with and dispose of all matters prescribed by the Act and this Memorandum. These shall include, but not be limited to: the consideration of the annual financial statements and reports of the directors and auditors; and any other business arising from the report of the directors which is laid before the meeting. All other business to be laid before the meeting shall be specified in the notice convening the meeting.
- 40.6.2 All business to be laid before a general meeting other than an annual general meeting shall be specified in the notice convening such meeting.
- 40.7 **RESOLUTIONS**
- 40.7.1 Every resolution shall, unless a secret ballot is demanded in terms of article 40.7.2, be decided on a show of hands. A declaration by the Chairman that a resolution has on a show of hands been carried unanimously or by a particular majority, or rejected, and an entry to that effect in the book containing the minutes of the proceedings of MSA, shall be conclusive evidence of this fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 40.7.2 A secret ballot may be demanded either before or immediately after the result of a show of hands is declared, on any questions, save the election of the Chairman, by:
- 40.7.2.1 the Chairman; or
- 40.7.2.2 no less than 5 (five) members having the right to vote at the meeting; or the members having the right to vote at the meeting.
- 40.7.3 The demand for a secret ballot may be withdrawn by the persons making it at any time prior to the commencement of the ballot.
- 40.7.4 If a secret ballot is duly demanded it shall be taken in such manner as the Chairman shall decide and either at once, or, if the Chairman shall think fit, after an interval or adjournment or otherwise, provided that a secret ballot on the question of an adjournment shall be taken at the meeting, without adjournment. No notice need be given of a secret ballot not taken immediately. The demand for a secret ballot shall not prevent the continuation of the meeting for the transaction of any business other than the question upon which the secret ballot is demanded.
- 40.7.5 Notwithstanding any postponement of the taking of the secret ballot the result of the secret ballot shall be deemed to be the resolution of the meeting at which the secret ballot is demanded.
- 40.7.6 In the case of an equality of votes, whether on a show of hands or on a secret ballot, the chairman of the meeting at which the show of hands takes place or at which the secret ballot is demanded shall have a casting vote, in addition to a deliberative vote.
- 40.7.7 On a show of hands or on a secret ballot at a general meeting each member who is entitled to vote on a resolution proposed at the meeting shall have 1 (one) vote on that resolution.
- 40.7.8 The company auditor will be appointed as the chief electoral officer for the meeting.

40.8 **ELECTION OF OFFICE BEARERS - VOTING AT MEETINGS**

- 40.8.1 Unless specifically defined in the memorandum the voting procedure at all meetings for the election of office bearers shall be as follows:
- 40.8.1.1 All voting shall be by secret ballot from a list of candidates eligible. The successful candidate will be elected by simple majority of votes cast;
- 40.8.1.2 Should there be more than 2 (two) candidates the system whereby the candidate obtaining the lowest number of votes at each successive secret ballot withdraws, shall be applied;
- 40.8.1.3 In the case of equality of votes the members entitled to vote will be called upon for a further ballot. If, at this time, the candidates are still tied, the retiring office bearer will have a casting vote whether or not he was himself standing for election.

40.9 **ELECTION OF DIRECTORS TO THE BOD - ANNUAL GENERAL MEETING**

- 40.9.1 At an annual general meeting of MSA to be held in Gauteng, together with provision being made for voting to take place in the cities of Cape Town, Port Elizabeth, East London and Durban, the corporate members of MSA shall elect directors to the BOD from:
- 40.9.1.1 the nominations made by the corporate members; and
- 40.9.1.2 retiring directors who have made themselves available for re-election.
- 40.9.2 These directors shall continue to be directors in terms of article 16 until they resign or otherwise cease to be directors.
- 40.9.3 The number of directors shall be determined by the BOD but shall not exceed 15 (fifteen) excluding the Chairman.
- 40.9.4 MSA in general meeting, or the directors, may from time to time appoint members to the BOD, providing that the total number of directors shall not exceed the number fixed in article 40.9.3.
- 40.9.5 The MSA BOD shall have power to appoint any person as a director to fill a casual vacancy but the person appointed shall cease to hold office at the termination of the first annual general meeting to be held after the appointment of such person as a director unless his appointment is confirmed at such annual general meeting.
- 40.9.6 No appointment of a director, except that of a retiring director re-elected at an annual general meeting of MSA, shall take effect until the consent executed by such director in terms of Section 66 of the Act has been lodged with MSA.
- 40.9.7 The nomination of a person, other than a person who retires by rotation and is eligible for re-election, for appointment as a director by members in general meeting, shall not be valid unless it is made:
- 40.9.7.1 in the manner and form prescribed from time to time by the directors; and
- 40.9.7.2 by written notice reaching the secretary at least 30 (thirty) days before the general meeting at which the nominee is to be considered for election.
- 40.9.8 There shall be no provision for proxy votes in respect of the election of directors. The corporate members must be physically present at one of the designated voting stations in order to vote for directors.

41. **PROXIES AND POWERS OF ATTORNEY**

- 41.1 Except in the matter of the election of directors (see 40.9.8 above), any member entitled to attend and vote at a meeting of MSA, may appoint one proxy, who need not be a member, to attend, speak and, subject to the provisions of Section 58 of the Act, to vote in his place on a show of hands and or a secret ballot at any general meeting or at any meeting of any class of members, provided that each proxy may represent only one principal and hold only one proxy vote – except that MSA's appointed auditors may hold more than one proxy vote. The instrument appointing a proxy to vote at a meeting of MSA shall be deemed also to confer authority to demand or join in demanding a secret ballot, and, a demand by a person as proxy for a member shall be the same as a demand by the member. The appointed proxy may not delegate this authority.
- 41.2 The instrument appointing a proxy shall be in writing under the hand of the appointer or of his agent, or if the appointer is a body corporate, under the hand of an officer or agent authorised by the body corporate. The proxy need not be a member of MSA.
- 41.3 The instrument appointing a proxy shall, subject to the provisions of Section 58 of the Act, be in the following form or as near thereto as circumstances permit:

"Motorsport South Africa NPC ("MSA")

I/We,of.....being a member of MSA, hereby appoint ofor failing himof as my/our proxy to attend and speak and vote on a show of hands and on a secret ballot for me/us and on my/our behalf at the annual general meeting or general meeting (as the case may be) of MSA to be held on the day of 2..... and at any adjournment thereof, as follows:

	In favour	Against	Abstain
Resolution No.			
Resolution No.			
Resolution No.			

(If columns 1, 2 or 3 are not completed, then my proxy may vote or abstain from voting, as he deems fit) (Indicate instruction to proxy by way of a cross in space provided above).

Signed this day of 20..... Signature

(Note: A member entitled to attend and vote is entitled to appoint a proxy to attend, speak and on a show of hands and on a secret ballot vote in his stead, and such proxy need not also be a member of MSA)"

- 41.4 The directors may, at the expense of MSA, send forms of proxy by post or otherwise to those members that have applied for a proxy vote as set out in article 41.3.
- 41.5 Corporate members wishing to appoint a proxy and the power of attorney or other authority, if any, under which it is signed, shall apply in writing (email is acceptable) to the registered office of MSA for a vote by proxy at least 14 days before voting takes place.
- 41.6 No instrument appointing a proxy shall be valid after the end of the meeting for which it has been granted, and no proxy shall be used at an adjourned meeting which could not have been used at the original meeting. If a proxy is received duly signed but with no indication as to how the person named herein should vote on any issue, the proxy may vote or abstain from voting as he sees fit.
- 41.7 Unless notification in writing of a death or revocation of a proxy is received at the registered office of MSA no later than 48 (forty-eight) hours before the commencement of the meeting, a vote given in terms of an instrument of proxy shall be valid in relation to any meeting of MSA or any meeting of any class of members of MSA.
- 41.8 After the ballot has been taken at the AGM, the company's auditor shall add the proxy votes to the votes cast at the meeting, before announcing the final result.
- 41.9 A ballot paper will be handed to the nominated voting delegate of each corporate member eligible to cast a vote on registration at the meeting.

42. ANNUAL GENERAL MEETING

- 42.1 An annual general meeting shall be held each year and be composed of directors, members of the Sporting Commissions, Specialist Panels, Regional Committee Chairmen and Corporate Members.
- 42.2 The Chairman of the BOD, or in his absence the CEO, shall be chairman of the meeting.
- 42.3 The Chairman shall have a casting vote, in addition to a deliberative vote.
- 42.4 The business of an annual general meeting shall be:
 - 42.4.1 to receive member's credentials and proxy authorities;
 - 42.4.2 to approve the agenda of the meeting;
 - 42.4.3 to confirm and otherwise deal with the minutes of the previous annual general meeting and any special general meeting held in the interim;
 - 42.4.4 to receive annual progress reports of the directors, and general affairs of MSA;
 - 42.4.5 to receive and adopt the audited Revenue and Expenditure accounts and Balance Sheet of the previous financial year;
 - 42.4.6 to elect directors in terms of article 40.9;
 - 42.4.7 to approve any proposal to repeal, replace or amend the Memorandum of Incorporation, for which due notice shall have been given;
 - 42.4.8 to receive the results of the elections of office bearers of the Sporting Commissions, Specialist Panels and Regional Committees;
 - 42.4.9 to transact such other business as may be transacted at a general meeting.
- 42.5 **MEMBERS ENTITLED TO ATTEND AND VOTE AT ANNUAL OR SPECIAL GENERAL MEETINGS**
 - 42.5.1 Each paid up corporate member shall be entitled to attend and record one vote against all resolutions at annual general or special general meetings.
 - 42.5.2 To exercise its vote, a corporate member must comply with the requirements set out in Art. 11.
 - 42.5.3 In instances where separate clubs and/or associations (and not their direct individual members)

are regarded as members/branches of a Corporate Member, only the Corporate Member directly affiliated to MSA, will be entitled to cast a vote. The clubs and/or associations affiliated to the Corporate Member but not Corporate Members in their own right will not be entitled to cast a vote, irrespective of their number of registered individual members.

- 42.5.4 All Corporate Members entitled to attend may be represented by 2 (two) delegates, who shall have been appointed and authorised in writing by the Chairman/President of the corporate member. However, only one delegate may vote, but both delegates have the right to address the meeting.

42.6 **NOTICES**

- 42.6.1 Any notice of meeting given by MSA shall be signed by the Chairman or the CEO.
 42.6.2 Any other notice by MSA may be signed by the CEO, or any director.
 42.6.3 Notice of a general meeting of members shall be given by MSA by way of electronic communication (normally email).
 42.6.4 Any other notice to members generally or to particular members shall normally be given via email.
 42.6.5 With a view to minimizing expenditure on the distribution of notices, financial statements and other documents individually to the vast number of its members, the directors shall be entitled to limit the right to receive notices, copies of financial statements and other documents to those members who specifically elect to receive them and pay any fee that may be reasonably imposed by the directors from time to time to cover MSA's costs.
 42.6.6 In every notice calling a meeting of MSA or of any class of members of MSA there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to apply for a vote by proxy and appoint a proxy, who need not also be a member, to attend and vote in lieu of such person.
 42.6.7 Where a given number of days' notice extending over any period is required, the day of service shall not, unless it is otherwise provided, be counted in such number of days or period.

43. **VALIDITY OF ACTS**

- 43.1 Accidental omission to give notice of any general meeting to any member of MSA or the non-receipt of such notice by any member shall not invalidate any resolution passed at any such meeting.
 43.2 All acts done at any meeting of the directors or at any executive or other committee of the directors, or by any person acting as a director, shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of the director or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a director.
 43.3 No provision of this Memorandum and no regulation prescribed by MSA in general meeting shall retrospectively invalidate any prior act of the directors which would have been valid had such article or regulation not been enacted.