

POWERLINE AND SUBSTATION ASSOCIATION

CONSTITUTION

1. Name
 - a) The association hereby constituted shall be called Powerline and Substation Association.
 - b) Its name shall be abbreviated as **POLASA**.

2. Body Corporate

The association shall –

 - a) be a common-law association;
 - b) exist in its own right, separately from its members;
 - c) shall have perpetual existence separate from its members and office bearers;
 - d) be able to own property and other possessions;
 - e) be able to sue and be sued in its own name;
 - f) limit the liability of its members and office bearers to the amount of two rand per member or office bearer;
 - g) be subject to the laws of South Africa.

3. Objectives

The association shall promote the industry interests of manufacturers, suppliers, contractors, professional services providers and other identified groupings within the power and allied industries in Southern Africa.

4. Membership

The voting members of the association shall be companies and organisations who are manufacturers, suppliers, contractors or professional services providers and other identified groupings within the power and allied industries in Southern Africa, and who have paid membership fees as prescribed by the board. Every member organisation shall be formally represented by one nominated representative. All voting membership applications are subject to approval of the board.

5. Limitations on the Distribution of Income

The income and property of the association must be used solely for the promotion of its objectives. No portion thereof may be paid, or directly or indirectly transferred by any means, to its members, provided that the foregoing shall not prevent the payment in good faith of reasonable remuneration to any officer, servant or member of the association in return for services actually rendered to the association.

6. Regulatory Governance

The following limitations as determined by Section 30b of the Income Tax Act, No 58 of 1962 (“the Act”) are recorded as forming part of this constitution:

- i) POLASA will have a board consisting of at least 3 persons, who are not connected persons in relation to each other, who shall accept the fiduciary responsibility of POLASA;
- ii) no single person may directly or indirectly control the decision-making powers relating to POLASA;
- iii) POLASA may not directly or indirectly distribute any of its funds or assets to any person, other than in the course of furthering its objectives;
- iv) POLASA is required to utilise substantially the whole of its funds for the sole or principal object for which it has been established;
- v) no member may directly or indirectly have any personal or private interest in POLASA;
- vi) substantially the whole of the activities of POLASA must be directed to the furtherance of its sole or principal object and not for the specific benefit of an individual member or minority group;
- vii) POLASA may not have a share or other interest in any business, profession or occupation which is carried on by its members;
- viii) POLASA must not pay to any employee, office bearer, member or other person any remuneration, as defined in the Fourth Schedule, which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered;
- ix) substantially the whole of POLASA's funding must be derived from its annual or other long-term members;
- x) POLASA must as part of its dissolution transfer its assets to -
- another entity approved by the Commissioner in terms of this section;
 - a public benefit organisation approved in terms of section 30 of the Act;
 - an institution, board or body which is exempt from tax under section 10(1)(cA)(i) of the Act;
 - the persons contemplated in paragraph (b)(i) will submit any amendment of the constitution or written instrument of the entity to the Commissioner within 30 days of its amendment;

xi) the entity will comply with such reporting requirements as may be determined by the Commissioner from time to time; and

xii) the entity is not knowingly and will not knowingly become a party to and does not knowingly and will not knowingly permit itself to be used as part of, an impermissible avoidance arrangement contemplated in any section of the Act.

7. Board

The association shall be managed by a board consisting of up to ten board members, and not less than three, including the Chairperson of the association, the corporate secretary, and the operations officer.

7.1 Composition of the Board

During every uneven dated year, the corporate secretary will invite from the members' nominations for suitable board members and will provide for an electronic vote to determine the composition of the board for the next two-year period. Every individual nominee shall be put to the vote even if the number of nominees is less than the number of vacancies on the board.

All positions shall expire at the two-yearly members meeting prior to the election of office bearers.

The board members shall elect bi-annually, or when a vacancy arises, a Chairperson and operations officer for the committee, from among the board members. If the chairperson is not present at any meeting of the board the board shall nominate one of their own to chair the meeting.

The board can fill vacancies on the board when such vacancies occur. The term of office of such appointees will laps at the next general members meeting. The committee can remove members from the committee who repeatedly do not attend meetings without written apologies.

The board can co-opt up to two co-opted Board members who have no voting rights. Co-options will laps at the next general members meeting.

7.2 Powers of the Board

The board shall have such powers as are needed to make good on the objectives of the association and limited to the objectives of the association and shall ensure good governance

of the association. This shall include the powers to open bank accounts, to contract and to delegate authority.

Board members are elected in their personal capacity and not as a representative of their member company.

The board may constitute and agree terms of reference for focus groups or sub committees. Subcommittee and focus groups must report regularly to the board on their proceedings.

7.3 Meetings and Procedures of the Board

The board shall meet at least twice a year.

The Corporate Secretary must notify board members of upcoming meetings at least fourteen days in advance.

Minutes will be recorded, retained, and made available to association members upon request.

At meetings of the board, fifty percent of the members plus one shall constitute a quorum.

Decisions shall be taken by simple majority show of hands and the Chairperson shall have a casting vote in the event of an equality of votes.

The chairman or any two board members can convene a special meeting of the board, provided that fourteen days' notice is given to other members of the board.

- | | |
|------------------------|---|
| 8. Corporate Secretary | The corporate secretary of the association shall be appointed by the board and must be a person or a company skilled in the financial management legal compliance, risk management and administration of associations and will report to the board. |
| 9. Operations Officer | The operations officer of the association shall be responsible for the operations of the working committees as well as for general membership engagement and industry development as set out in the objectives of the association. |
| 10. Chairperson | The Chairperson of the association shall chair all board meetings, meetings of members as well as lead stakeholder relations, lobby work, industry intelligence, knowledge management, and in general be representing the association and the industry, in meetings and in the media. |

11. Meetings of Members The association shall convene at least one meeting of members per annum where members will determine the policies and strategic deliverables of the board. The Chairperson of the board will present a report on operations as well as the financial position of the association to the members and will provide to the members the opportunity to debate and set organisational strategy and policy in a “members-only session”.
- A quorum at the meeting of members shall be one third of the members in good standing. This quorum would be calculated by adding both in-person and online members.
- Elections and other member ballots may be conducted in person or virtually using suitable voting systems.
- The Chairperson of the board shall chair meetings of members, and in his absence any member of the board.
- Minutes of the meetings must be kept safely and always be on hand for members to consult.
12. Financial Year The financial year of the organisation ends on 30 June every year.
13. Limitations The organisation and the name of the organisation may not be used directly or indirectly for commercial gain by any member or third party. Members may use approved branding of the association in their own marketing material to indicate their membership of the association.
14. Changes to the
 Constitution To change this constitution seventy five percent of the respondents in an electronic poll of paid-up members must agree to the change. Alternatively, two thirds of the paid-up members present at a members meeting, may change the constitution by secret ballot.
15. Competition Act Members will in all meetings and activities of the association observe the need to comply with the Competition Act.
16. Dissolution Upon dissolution, any surplus of assets over liabilities shall be given or transferred to some other non-profit association having objectives similar to the main objective of the association. The association may be dissolved if two thirds of the members in good standing, by secret or electronic vote, agree to such dissolution.

Thus, adopted by members on 12 April 2024.

A handwritten signature in black ink, appearing to be 'M. W. A.', written in a cursive style.

Corporate Secretary