

*CONSTITUTION*  
*OF*  
*NATURAL JUSTICE*

CERTIFIED AS A TRUE COPY  
2007-10-31  
WILSON: NEW CO-OP ORGANISATIONS  
DEPT. OF SOCIAL DEVELOPMENT

**Constitution****1. Name and Type**

1. Name.
2. Type.

**2. Objectives****3. Structure**

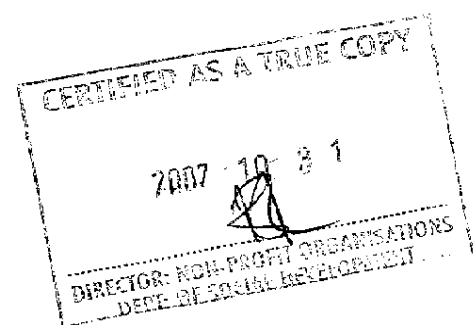
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  - (a) Powers
  - (b) Election of Executive Members
  - (c) Removal of Executive Members
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2007-10-31  
*[Signature]*  
DIRECTOR, NON-PROFIT ORGANIZATIONS  
DEPT. OF SOCIAL DEVELOPMENT

## 1. Name and Type

### 1. Name

Natural Justice, hereafter referred to as the Association.

### 2. Type

Voluntary Association.

### 2.5 Objectives

The Association is a public, non-profit organization established for the object of providing legal assistance to local communities in the form of information, advice, advocacy and training about human rights and the environment. The Association also seeks to undertake any other activities that further the above objective.

### 3 Structure

The Association will be a body corporate and have a separate legal identity and existence from its members and office bearers. The Association will therefore continue to exist even though the membership or office bearers will change from time to time.

The Associations managers are hereafter referred to as Executive Members. They make up the Executive Committee.

Persons involved in projects connected with the Association are hereafter referred to as Members.

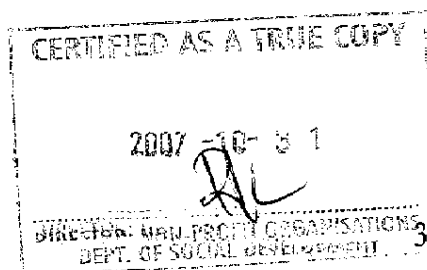
#### 1. Executive Committee

##### (a) Powers

The affairs of the Association shall be controlled and managed by the Executive Committee. Subject to the terms of this constitution, the Executive Committee may exercise all the powers of the Association.

The Association shall be managed by an Executive Committee of no less than three (3) Members. Each Executive Member shall have equal say in the running of the association. Any changes made to the Association require a majority vote of the Executive Members. The Executive Members shall meet no less than once annually.

##### (b) Election of Executive Members



Election of Executive Committee members shall occur at the General Meeting. Election requires a sixty-six percent (66%) approval of existing Executive Members.

### **(c) Removal of Executive Members**

The office of an Executive Member shall be vacated if the member:

1. resigns; or
2. becomes unfit and/or incapable of acting as such; or
3. is removed by the Executive Committee, by resolution adopted by at least sixty-six percent (66%) of Executive Members in office. Removal of Executive Committee members shall occur at the General Meeting.

Should an Executive Member's position fall vacant, the Executive Committee may co-opt an Executive Member to fill the vacancy.

## **2. Members.**

### **(a). Powers**

Members do not have any decision making powers with regard to the day to day running of the Association but are encouraged to contribute advice on their relevant projects.

### **(b). Admission requirements**

People directly involved in organising and funding projects with the Association are considered members.

### **(c). Removal of Members**

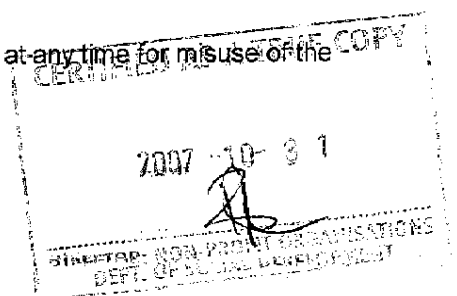
The Executive Committee has the authority to remove any Member at any time for misuse of the Association and/or improper conduct.

## **3. General Meetings**

### **(a). Annual General Meeting**

An Annual General Meeting of the Association shall be held within a period of fifteen (15) months of the adoption of this Constitution. Subsequent Annual General Meetings shall be held within three (3) months of the end of each financial year.

Notice shall be given to all Executive Members entitled to attend the meeting no less than twenty-one (21) days prior. This notice shall state the date, time and place of the meeting and in broad terms the business to be transacted at the meeting.



The business of an Annual General Meeting shall include:

1. the presentation and adoption of the Annual Report
2. the consideration of the Annual Financial Statements
3. other matters as may be considered appropriate.

**(b) Other General Meetings**

Other General Meetings of the Association shall be convened at any time at the request of an Executive Member.

**(c) Quorum**

A quorum constituting a General Meeting of the Association shall be no less than two Executive members.

Should any General Meeting have been properly convened but no quorum be present, the meeting shall stand adjourned to another date, which shall be within seven (7) days thereafter.

**(d) Voting on Resolutions**

At all General Meetings, a resolution put to the vote shall be decided by means of a show of hands. The result of the vote shall be the resolution of the meeting. Each member present or represented at such meeting shall be entitled to one (1) vote.

**(e) Minutes**

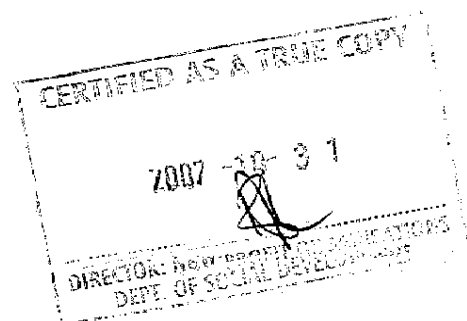
Proper minutes shall be kept of the proceedings of all General Meetings, and a record of the persons present at each meeting. The minutes shall be signed by two (2) Executive Members.

**(f) Powers**

A duly convened General Meeting of the Association, at which a quorum is present, is competent to carry out all the objectives and to exercise all the powers of the Association as set out in this Constitution.

**4: Legal Status**

The Association is a body corporate with its own legal identity that is separate from its Executive Members. The Association shall continue to exist even if the Executive Members change. The Association may own property, enter into contracts, and sue or be sued in its own name.



## 5: Financial Matters

### 1. Funding

The service shall be provided entirely for the benefit of each specific project. All outside funding will be used, in an open and transparent way, in the interest of the objectives outlined.

### 2. Financial Records

The Executive Committee shall ensure that the Association keeps proper records and books of account, which fairly reflect the affairs of the association. All financial transactions will be recorded.

### 3. Bank account

The Executive Members shall open a bank account in the name of the Association with a registered Bank or Building Society. The Executive Members shall ensure that all monies received by the Association are deposited in the abovementioned bank account as soon as possible after receipt.

### 4. Use of Funds

The funds from this account may not be used for any purpose other than the financing of the Association. The funds shall be used solely for the promotion of its stated objectives. The Executive Members shall have no rights to the property or other assets of the Association solely by virtue of them being office-bearers. No portion of the income or property of the Association shall be paid or distributed directly or indirectly to any person (otherwise than in the ordinary course of undertaking any public benefit activity) or to any Member of the Association or Executive Committee, except as:

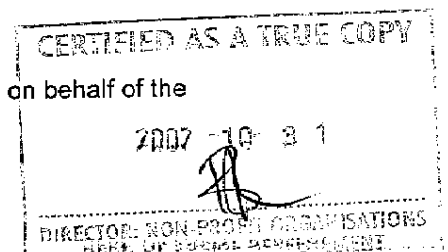
1. reasonable compensation for services actually rendered to the Association
2. reimbursement of actual costs or expenses reasonably incurred on behalf of the Association.

### 5. Signatures

All cheques, promissory notes and other documents requiring signature on behalf of the Association shall be signed by two (2) of the Executive Members.

### 6. Annual Report

The Executive Committee shall ensure that the association prepares an annual narrative report describing the Association's activities and an Annual Financial Statement for each financial year. The Annual Financial Statements shall conform with generally accepted accounting principles and shall include a statement of income and expenditure and a balance sheet of assets and liabilities. Within two (2) months after drawing up the Annual Financial Statements, the Executive



Committee shall ensure that:

- a. the Association arranges for an accounting officer to certify that the annual financial statements are consistent with the financial records of the Association and that its accounting policies are appropriate and have been appropriately applied in the preparation of its financial statements.
- b. A copy of the Annual Financial Statements and Annual Narrative Report shall be made available to all Executive Members and relevant parties as soon as possible after the close of the financial year.

## 7. Financial Year End

The Association's financial year end shall be July 1st.

## 6: Indemnity

Subject to the provisions of any relevant statute, members of the Executive Committee and other office bearers shall be indemnified by the Association for all acts done by them in good faith on its behalf. It shall be the duty of the Association to pay all costs and expenses, which any such person incurs or becomes liable for as a result of any contract entered into, or act done by him or her, in his or her said capacity, in the discharge, in good faith, of his or her duties on behalf of the Association. No member of the Executive Committee and or other office bearer of the Association shall be liable for the acts, receipts, neglects or defaults of any other member or office bearer, or for any loss, damage or expense suffered by the Association, which occurs in the execution of the duties of his or her office, unless it arises as a result of his or her dishonesty, or failure to exercise the degree of care, diligence and skill required by law.

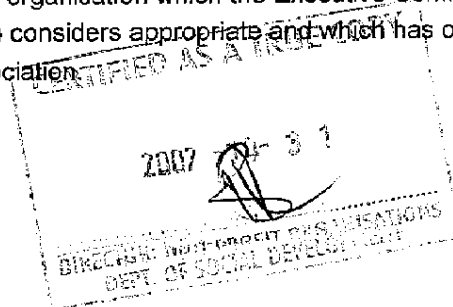
## 7: Amendments to the constitution and Dissolution

### 1. Amendments

The terms of this Constitution may be amended, the name of the Association may be changed and the Association may be dissolved by resolution of sixty six per cent (66%) of the members present at a General Meeting: provided that proper notice of the meeting is given not less than twenty-eight (28) days prior to the date of the Meeting and such notice states the nature of the resolution to be proposed.

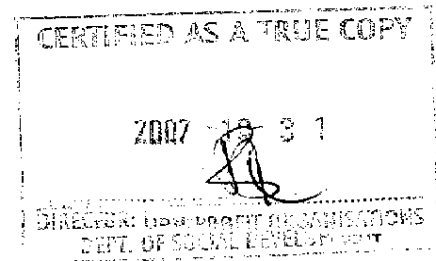
### 2. Dissolution

Upon the dissolution of the Association, after all debts and commitments have been paid, any remaining assets shall not be paid to or distributed amongst Executive Members, but shall be transferred by donation to some other non-profit organisation which the Executive Committee (and failing which any division of the High Court) considers appropriate and which has objectives the same or similar to the objectives of the Association.



**Schedule A.****General Administrative and Investment Powers.**

1. To employ staff and hire professional and other services.
2. To institute or defend any legal or arbitration proceedings and to settle any claims made by or against the Association.
3. To open and operate accounts with registered banks and building societies.
4. To accept donations made to the Association and retain them in the form in which they are received, or sell them and re-invest the proceeds.
5. With regard to movable and immovable property and tangible and intangible assets of whatsoever nature:
  1. to purchase or acquire property and assets;
  2. to maintain, manage, develop, exchange, lease, sell, or in any way deal with the property and assets of the Association;
  3. to donate and transfer the property and assets of the Association to organisations with the same or similar objectives.
6. To borrow and to use the property or assets of the Association as security for borrowing.
7. To guarantee the performance of contracts or obligations of any person on condition that any such person is primarily engaged in activities which further the objectives of the Association.
8. To work in collaboration with other organisations and to amalgamate with any organisation with the same or similar objectives.
9. To exercise all the management and executive powers that are normally vested in the Board of Directors of a Company.
10. To exercise all the powers and authority of the Association not only in the Republic of South Africa but in any other part of the world.

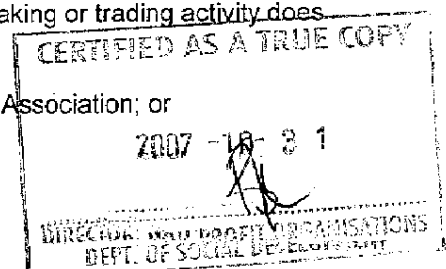


**SCHEDULE B****REQUIREMENTS OF THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE FOR EXEMPTION FROM TAXES AND DUTIES**

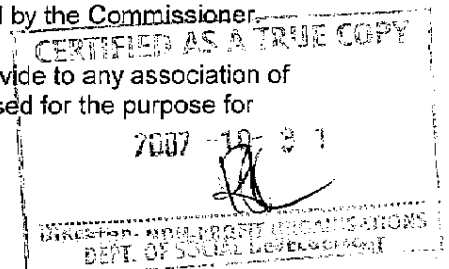
The Association intends to apply to the Commissioner for the South African Revenue Services to become an approved public benefit organisation. In compliance with section 30 of the Income Tax Act, the following provisions shall bind the Association, upon approval by the Commissioner:

1. The Association shall carry on at least 85% of its activities for the benefit of persons in the Republic.
2. No activity of the Association is intended to directly or indirectly promote the economic self-interest of any fiduciary or employee of the Association, otherwise than by way of reasonable remuneration payable to that fiduciary or employee.
3. Carry on its public benefit activities in a non-profit manner and with an altruistic or philanthropic intent.
4. Comply with such conditions, if any, as the Minister may prescribe by way of regulation to ensure that the activities and resources of the Association are directed in the furtherance of its objects.
5. Submit to the Commissioner a copy of and a copy of any amendment to this Constitution.
6. Have at least three persons, who are not connected persons in relation to each other, to accept the fiduciary responsibility of the Association and no other single person directly or indirectly controls the decision making powers relating to that organisation.
7. In the event of the Association investing funds, invest such funds:
  - 7.1 with a financial institution as defined in section 1 of the Financial Services Board Act, 1990 (Act No. 97 of 1990); and/or
  - 7.2 in securities listed on a stock exchange as defined in section 1 of the Stock Exchanges Control Act, 1985 (Act No. 1 of 1985); and/or
  - 7.3 in such other prudent investments in financial instruments and assets as Commissioner may determine after consultation with the Executive Officer of the Financial Services Board and the Director of Non-Profit Organisations;

provided that the provisions of the sub-paragraph do not prohibit the Association from retaining any investment (other than any investment in the form of a business undertaking or trading activity or asset which is used in such business undertaking or trading activity) in the form that it was acquired by way of donation, bequest or inheritance.
8. Be prohibited from carrying on any business undertaking or trading activity, otherwise than to the extent that:
  - 8.1 the gross income derived from such business undertaking or trading activity does not exceed the greater of:
    - i. fifteen percent (15%) of the gross receipts of the Association; or



- ii. twenty five thousand Rand (R25000.00);
- 8.2 the undertaking or activity is:
- i. integral and directly related to the sole object of the Association; and
  - ii. carried out or conducted on a basis substantially the whole of which is directed towards the recovery of cost and, which would not result in unfair competition in relations to taxable entities;
- 8.3 the undertaking or activity, if not integral and directly related to the sole object of Association as contemplated in clause 8.2, is of an occasional nature and undertaken substantially with assistance on a voluntary basis without compensation;  
or
- 8.4 the undertaking or activity is approved by the Minister by notice in the Gazette, having regard to:
- i. the scope and benevolent nature of the undertaking or activity;
  - ii. the direct connection and interrelationship of the undertaking or activity with the sole purpose of the public benefit organisation;
  - iii. the profitability of the undertaking or activity; and
  - iv. the level of economic distortion that may be caused by the tax exempt status of the public benefit organisation carrying out the undertaking or activity.
9. Be prohibited from accepting any donation which is revocable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation; provided 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), which has as its sole or principal object the carrying on or 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.
10. Ensure that it is not knowingly a party to, and does not knowingly permit itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is or was the reduction, postponement or avoidance of liability for any tax, duty or levy, which, but for such transaction, operation or scheme, would have been or would have become payable by any person under the Act or any other Act administered by the Commissioner.
11. 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.
12. Comply with such reporting requirements as may be determined by the Commissioner.
13. Take reasonable step to ensure that the funds, which it may provide to any association of persons, as contemplated in section 30(b)(iii) of the Act are utilised for the purpose for which they are provided.



- 14. Become registered in terms of section 13(5) of the Non-Profit Organisations Act 1997 (Act No.71 of 1997), within such period as the Commissioner may determine, and comply with any other requirements imposed in terms of that Act.
- 15. Has not and will not use its resources directly or indirectly to support, advance or oppose any political party.
- 16. Ensure that any books of account, records of other documents relating to its affairs are:
  - 16.1 where kept in book form, retained and carefully preserved by any person in control of the Association, for a period of four years after the date of the last entry in any such book; or
  - 16.2 where not kept in book form, are retained and carefully preserved by any person in control of the Association, for a period of four years after the completion of the transaction, act or operation to which they relate.

