



Casino Association of South Africa

CONSTITUTION

(Revision: 2012)

OF

CASINO ASSOCIATION OF SOUTH AFRICA

CONTENTS

No	Clause	Page No
–	PREAMBLE	
1.	DEFINITIONS	1
2.	NAME	4
3.	LEGAL STATUS OF THE ASSOCIATION	4
4.	OBJECTS OF THE ASSOCIATION	4
5.	POWERS OF THE ASSOCIATION	5
6.	MEMBERSHIP	6
7.	BOARD	11
8.	MEETINGS OF THE BOARD	12
9.	VOTING RIGHTS AND RESOLUTIONS	14
10.	MANAGEMENT COMMITTEE	17
10A.	CHIEF EXECUTIVE OFFICER	21
11.	MINUTES AND MINUTE BOOKS	22
12.	FINANCES	22
13.	AUDITORS	23
14.	ACCOUNTING	23
15.	MISCELLANEOUS	23
16.	INDEMNITY	24
17.	ALTERATION OF THE CONSTITUTION	25
18.	DISSOLUTION	25
19.	INTERPRETATION	25

ANNEXURE "A" Members

PREAMBLE

- (a) Terms used in this Preamble bear the meanings assigned thereto in clause 1 (Definitions).
- (b) The Constitution of the Association, immediately prior to the date of this complete revision thereof, comprised the original Constitution dated 19 February 2003, Addendum No.1 thereto dated 6 May 2004 and Addendum No.2 thereto, which took effect from 24 November 2004 and which replaced Addendum No.1.
- (c) Many of the operational activities of the Association have evolved according to prevailing practicalities and other considerations and no longer respond to the provisions of the Constitution in the form referred to in (b) above.
- (d) The Members have accordingly decided to revise the Constitution to reflect the preferred manner for the conduct of certain activities of the Association.
- (e) This Constitution (Complete Revision: 2005) shall become effective from the last date of signature hereof, as from which date the initial Constitution read with Addendum No.2 thereto shall be of no further force and effect. None of the pre-existing rights and obligations of any Member shall be affected by the entering into force of this revised Constitution.
- (f) This Constitution (Complete Revision: 2005) may be executed in counterparts, each of which shall constitute an original but all of which, taken together, shall constitute one instrument.

1 DEFINITIONS

In this Constitution, unless the context indicates otherwise, the words and expressions set out below shall have the meanings assigned to them and cognate expressions shall have a corresponding meaning, namely:

- 1.1 "Affiliate" means, in relationship to a Member, a company that:
 - 1.1.1 is under the control of such Member (and in determining whether such "control" exists, regard shall be had to section 12(2)(g) of the Competition Act, No. 89 of 1998); or

- 1.1.2 has a substantial shareholder in common with such Member (and in this regard "substantial" shall mean a shareholding of 15% or more); or
- 1.1.3 is managed by the same company or firm that manages such Member;
- 1.2 "Annual General Meeting" means the annual general meeting of the Board as held in accordance with **article 8**;
- 1.3 "Association" means the Casino Association of South Africa, a voluntary association of its Members having perpetual succession;
- 1.4 "Board" means the board of executives of the Association, which is responsible for making all major policy decisions in respect of the Association;
- 1.5 "Committee" means the management committee of the Association, appointed in terms of **article 10**;
- 1.6 "Constitution" means this document, together with all the annexures hereto;
- 1.7 "Chief Executive Officer" means the Chief Executive Officer of the Association appointed in terms of **article 9.7.7**;
- 1.8 "Gaming Positions" means the total number of casino gaming positions which a Member (together with its Affiliates) is entitled to and has established for purposes of operating, in terms of a Licence, for which purpose a gaming machine shall be counted as one gaming position and a gaming table shall be counted as six gaming positions, irrespective of the

number of players playing or able to play thereon;

- 1.9 “Licence” means a valid temporary or permanent licence to conduct a casino in a province of the RSA, granted or issued by the relevant provincial licensing authority;
- 1.10 “Members” means the members of the Association from time to time, comprising the companies set out in **Annexure “A”** and any additional Members appointed in accordance with **article 6**, but excluding those Members whose membership has ceased in accordance with the provisions of **article 6.4**; and in the context of the holding of Gaming Positions, the word "Member" shall include a Member's Affiliates;
- 1.11 “Membership Register” means the register referred to in **article 6.1.5**;
- 1.12 “Ordinary Resolution” means an ordinary resolution of the Board, as passed in accordance with the provisions of **article 9.5**;
- 1.13 “Prime Rate” means the prime overdraft rate ruling from time to time, expressed as a rate per annum calculated daily and compounded monthly in arrears, at which the financial institution at which the Association maintains a current cheque account for the time being (“the Association’s bank”) lends on overdraft to its most favoured customers from time to time during a given period. A certificate from any manager of the Association’s bank (whose appointment or authority need not be proved) as to the prime rate at any time shall, in the absence of manifest error of

calculation, be final and binding on the Association and the Members;

- 1.14 "RSA" means the Republic of South Africa, comprising the nine provinces identified in section 103 of the Constitution of the Republic of South Africa, 1996;
- 1.15 "Small Member" means a Member who has less than 500 (five hundred) Gaming Positions; and
- 1.16 "Special Resolution" means a special resolution of the Board, as passed in accordance with the provisions of **article 9.3.**

2 NAME

- 2.1 The name of the Association shall be the Casino Association of South Africa.
- 2.2 CASA is the official abbreviation for the name of the Association.

3 LEGAL STATUS OF THE ASSOCIATION

- 3.1 The Association is a voluntary association of its Members having perpetual succession and the power to own and hold and deal with property (immovable, movable, corporeal or incorporeal) in its own name, independently of its Members, as well as the power to sue and be sued in its own name.
- 3.2 Notwithstanding anything contained in this Constitution, membership of the Association shall not under any circumstances confer on any Member any right, title, claim or demand in or to any of the money or property of the Association.
- 3.3 It is recorded that the Association was established on 19 February 2003.

4 OBJECTS OF THE ASSOCIATION

The objects of the Association are:

- 4.1 to promote the casino industry in the RSA and the interests of its Members as a whole;

- 4.2 to provide a forum in which Members can explore and address issues of common interest and concern relating to the casino industry, such as, for example, gaming legislation, and develop, if possible, policy positions in respect of such issues;
- 4.3 to advocate the Association's policy positions to the national and provincial governments of the RSA, the National Gambling Board of the RSA, the various provincial licensing authorities, the media and other relevant policy-making and opinion-forming bodies, both in the RSA and abroad, and interact with these bodies in respect of issues affecting the casino industry; and
- 4.4 to provide factual and reliable publicly available information about the casino industry to all interested parties.

5 POWERS OF THE ASSOCIATION

For the purposes of achieving the objectives set out in **article 4**, the Association may exercise the powers conferred upon it by or under this Constitution, including, without limitation, the power:

- 5.1 to institute, conduct, defend, settle or abandon any legal proceedings either by or against the Association or its employees or officers;
- 5.2 to purchase, hire or acquire in any other manner, any property, movable or immovable, which may be deemed desirable or necessary for the purposes of the Association;
- 5.3 to sell, manage, let, hire or otherwise deal with all or any part of the Association's property;
- 5.4 to appoint or remove or discharge any employee or representative of the Association and to fix the remuneration and terms of employment of any employee or representative;
- 5.5 to open one or more banking accounts in the name of the Association;
- 5.6 to make, vary and repeal rules and policies for the regulation of all affairs of the Association and its Members, officials and employees, provided that such rules do not conflict with any of the provisions of this Constitution or any resolutions passed by the Members;

- 5.7 to invest and deal with any money of the Association not immediately required for the purposes of the Association and to vary and realise such investments from time to time;
- 5.8 to appoint auditors of the Association and fix their remuneration;
- 5.9 to deal with any condition or circumstance arising for which specific provision is not made in this Constitution, any rules of the Association, or any resolution passed by the Members;
- 5.10 to enforce the provisions of this Constitution and any rules and resolutions adopted by the Members from time to time and to pay all expenses incidental to such enforcement, including all attorneys' fees;
- 5.11 to obtain and maintain in force all policies of insurance required to cover the assets of the Association and indemnify the Association against any liability it may incur as a result of its performance of its activities and the conduct of its Members, employees or officials;
- 5.12 to enter into any contract or perform any act whereby the objects of the Association are carried into effect or which may be necessary or incidental or conducive to the attainment of any objects of the Association.

6 MEMBERSHIP

6.1 Members

- 6.1.1 The Members of the Association as at the date of signature of this Constitution (Complete Revision: 2005) comprise of the companies set out in **Annexure "A" hereto.**
- 6.1.2 Any South African company shall be entitled to apply for membership of the Association, if:
 - 6.1.2.1 the applicant or any of its Affiliates owns at least one Licence in respect of a casino which it is operating or managing, provided that the applicant is not itself a Affiliate of another company or corporate entity; and
 - 6.1.2.2 the application is made in writing and lodged with the Chief Executive Officer.

- 6.1.3 Each application for membership of the Association shall be considered at the subsequent meeting of the Board, and may be approved by means of a Special Resolution.
- 6.1.4 Such approval shall be conditional upon the applicant making full payment of an amount specified in writing by the Board (as approved by Special Resolution), in respect of membership fees for the quarter in which the application is made, within 30 (thirty) days (or such additional period as approved by the Chief Executive Officer in writing) of the applicant's application being approved by the Board. Upon such payment being made, the applicant shall be entered as a Member into the Membership Register. Should the applicant fail to make payment within the prescribed period, then the approval granted by the Board shall lapse, and the applicant shall not be considered to be a Member of the Association.
- 6.1.5 The Chief Executive Officer shall maintain an up-to-date register of the Members, and all associated information, including, without limitation, Members' postal, physical and e-mail addresses and telephone and facsimile numbers as well as the number of Gaming Positions held by each Member. This register will be open to inspection by Members in the manner contemplated by section 113 of the Companies Act, No 61 of 1973. It shall be the duty of each Member to ensure that its details contained in such register remain current.
- 6.2 Membership Fee
- 6.2.1 Each Member shall pay an annual membership fee, the amount of which shall be determined by a Special Resolution at the Annual General Meeting.
- 6.2.2 The membership fee payable by each Member shall be determined on a *pro rata* basis, in accordance with the ratio of the number of Gaming Positions held by such Member to the total number of Gaming Positions held by all the Members.
- 6.2.3 Small Members shall be entitled to a 20% (twenty per centum) discount on the membership fee payable by them in terms of **article 6.2.2.**

- 6.2.4 The membership fee shall be payable in four equal quarterly instalments in advance, on or before the first day of January, April, July and October of each year, or in such other manner as specified by the Committee in writing, or by the Chief Executive Officer acting on the request of the Committee, from time to time.
- 6.2.5 The Members shall pay their membership fee timeously. Should any Member fail to make payment of any instalment of the membership fee owing by it within 14 (fourteen) days of the dates set out in **article 6.2.4**, then such Member shall not have any of the voting rights set out in **article 9**, until such time as the full outstanding amount owed to the Association is paid.
- 6.2.6 A Member's membership of the Association may be terminated in accordance with the provisions of **article 6.4**, if such Member fails to make payment of any instalment of the membership fee owing by it:
- 6.2.6.1 within 60 (sixty) days of the dates set out in **article 6.2.4**; or
- 6.2.6.2 on three consecutive occasions.
- 6.2.7 The Chief Executive Officer shall have a discretion to grant an extension of the due payment date for membership fees to any Member on good cause shown, provided such extension shall not be longer than 60 (sixty) days after the due date.
- 6.2.8 The Association shall charge interest on all outstanding amounts owed by the Members in terms of this Constitution, at the Prime Rate plus 2% (two per centum), calculated from the due date until payment in full is received by the Association.

6.3 Members' Obligations

- 6.3.1 No Member shall be entitled, for the duration of its membership of the Association, to join any other association or body with objectives the same as or similar to the Association (as set out in **article 4**) except for regional or provincial chapters of the Association, unless the Board gives its prior written consent thereto.
- 6.3.2 Should the Board decide by Special Resolution prior to the holding of its Annual General Meeting that the Association requires

additional funding over and above the membership fees payable by the Members, then the Members shall contribute *pro rata* to the amount of additional funding required by the Association, in accordance with the ratio of the number of Gaming Positions held by such Member to the total number of Gaming Positions held by all the Members. Should any Member fail to contribute to such additional funding within 30 (thirty) days of the passing of the aforementioned Special Resolution, then the provisions of **article 6.2.6** and **6.2.7** shall apply *mutatis mutandis*.

6.3.3 No Member shall directly or indirectly, or individually or in concert with other Members, attempt to influence the activities of the Association in any manner so that it promotes or furthers the particular interests or objects of that Member and/or any other Members as opposed to the interests or objects of the Association as set out herein.

6.3.4 Each Member shall be obliged to inform the Chief Executive Officer of the number of Gaming Positions held by such Member, as well as advise the Chief Executive Officer in writing of any change in their number of Gaming Positions within 30 (thirty) days of such change.

6.3.5 Each Member shall be obliged to refer any matter which comes to its attention and which falls within the objects of the Constitution as set out in **article 4** or which may be pertinent to the Association or its activities, to the Board for discussion and consideration. However, nothing in this Constitution shall prevent a Member from pursuing such a matter on its own.

6.3.6 Each Member shall, within reason and upon request from the Chief Executive Officer or the Committee, be obliged to make available, free of charge, office accommodation and facilities to the officers and employees of the Association, who require such accommodation and facilities in the performance of their duties on behalf of the Association, and shall also afford such officers and employees reasonable support and assistance in their performance of their duties, if requested.

6.3.7 All Members shall be obliged, upon request from the Chief Executive Officer or the Committee, to provide such know-how and training as may be required by the officers or employees of the

Association to properly perform their duties on behalf of the Association.

- 6.3.8 All Members undertake to keep all confidential information pertaining to the Association and any of its Members, which has come to their knowledge or into their possession as a result of their membership of the Association, confidential for the duration of their membership of the Association and for a period of 5 (five) years thereafter, unless obliged to disclose such information to any third party in terms of the enactments and laws of the RSA.

6.4 Cessation of Membership

- 6.4.1 A Member's membership of the Association shall continue indefinitely, unless terminated in accordance with the provisions of this **article 6.4** or until the dissolution of the Association in accordance with **article 18**.

- 6.4.2 A Member shall be entitled to terminate its membership of the Association by providing 3 (three) month's written notice to this effect to the Chief Executive Officer, provided that all monies due to the Association shall be paid in full prior to tendering such notice.

- 6.4.3 A Member's membership of the Association may furthermore be terminated upon:

- 6.4.3.1 such Member or any of its Affiliates no longer holding any Licence;

- 6.4.3.2 such Member being voluntarily wound up or wound up in any of the circumstances contemplated in Sections 344 and/or 345 of the Companies Act, No. 61 of 1973;

- 6.4.3.3 such Member compromising or attempting to compromise with its creditors;

- 6.4.3.4 any person or entity instituting any proceedings for the winding-up or judicial management of such Member, or any similar proceedings (including any bankruptcy proceedings); and

- 6.4.3.5 the passing of a Special Resolution by the Members to that effect for any reason which the Board considers sufficient to

warrant revocation or termination of membership, including, without limitation:

- 6.4.3.5.1 the failure to make full payment of any membership fees that are due and payable by such Member within 120 (one hundred and twenty) calendar days of the due date for payment or on three consecutive occasions; or
- 6.4.3.5.2 the cancellation, suspension, revocation or withdrawal of any Licence of such Member (or its Affiliate) by reason of non-compliance of such Licence's terms and conditions or the legislation governing such Licence; or
- 6.4.3.5.3 the provision of false information to the Chief Executive Officer regarding the number of Gaming Positions held by such Member or the failure to advise the Chief Executive Officer timeously of any change in its number of Gaming Positions, as envisaged in **article 6.3.4**, resulting in an incorrect fee determination in terms of **article 6.2.2** or **6.2.3**, or incorrect quorum or voting numbers in terms of **articles 8.4.2, 8.11, 9.3.2, 9.4** and **9.5**.
- 6.4.4 Any Member whose membership of the Association has been terminated for whatsoever reason, shall forfeit all membership fees (if applicable) and other amounts paid by it to the Association.
- 6.4.5 No Member shall have any entitlement to the intellectual property and know-how of the Association after termination of their membership of the Association, unless otherwise approved by Special Resolution.

7 **BOARD**

- 7.1 The Association shall be controlled by a Board, which shall make all major policy decisions in respect of the Association, including, without limitation, the matters set out in **articles 9.6** and **9.7**, and elsewhere in this Constitution.

- 7.2 Each Member shall be entitled to appoint one representative to the Board. Such representative must be the chief executive officer of the Member or hold a position of equal or similar rank. If the chief executive officer of the Member is unable, for good reason (which shall be provided to the Chief Executive Officer of the Association), to attend a meeting of the Board, then such chief executive officer of the Member concerned must appoint a representative who shall, for the purpose of such meeting, have the same decision making powers as the chief executive officer of that Member.

8 MEETINGS OF THE BOARD

- 8.1 The Association shall in each year hold an Annual General Meeting no later than 9 (nine) months after the end of the Association's financial year and no later than 15 (fifteen) months after the date of the previous Annual General Meeting.
- 8.2 Other than the Annual General Meeting, a general meeting of the Board will be held no less than 3 (three) times per year, at a date, time and place to be specified by the Chief Executive Officer.
- 8.3 A meeting of the Board may be held by teleconference, video conference or any other manner determined by the Chief Executive Officer from time to time, which will allow a representative of a Member who is not personally present at a particular meeting to participate in proceedings of such meeting as if he were personally present. A representative who participates in any meeting by teleconference, video conference or in any other manner contemplated in this **article 8.3**, shall be deemed to be present at such meeting for all purposes, including that of determining a quorum.
- 8.4 No business shall be transacted at any meeting of the Board unless a quorum of Members is present at the time when the meeting proceeds to business and throughout the course of the meeting. A quorum shall only be present if:
- 8.4.1 more than 50% (fifty per centum) of the Members are represented at the meeting by their duly appointed representatives; and
- 8.4.2 the Members that are represented at the meeting hold between them more than 50% (fifty per centum) of the total number of Gaming Positions held by all the Members.

- 8.5 If within half an hour after the time appointed for any meeting a quorum is not present, the meeting shall stand adjourned to a date not earlier than 7 (seven) days and not later than 14 (fourteen) days after the date of the meeting, and if at such adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting, the Members' representatives present in person at such adjourned meeting shall be a quorum for that meeting.
- 8.6 The chairperson of any meeting of the Board, including the Annual General Meeting, shall be the chairperson of the Committee as appointed in accordance with the provisions of **article 10**. Should the chairperson of the Committee not be present at any meeting, or if there shall be no Committee in existence for the time being, then the Board shall elect the chairperson for such meeting by Ordinary Resolution. If the chairperson is elected as aforesaid by virtue of there being no Committee in existence for the time being, the same person may not be elected as chairperson for more than two consecutive terms of 12 (twelve) months each, and he/she will not thereafter be eligible for further election as such for a period of 2 (two) years after the expiry of his/her second consecutive term.
- 8.7 The Chief Executive Officer shall provide the Members with not less than 21 (twenty one) clear days notice in writing of the place, day and hour of each meeting of the Board, including the Annual General Meeting. The Chief Executive Officer shall provide the Members with not less than 5 (five) clear days notice in writing of the place, day and hour of any adjourned or postponed meeting held in terms of **article 8.5**.
- 8.8 Any notice or communication required or permitted to be given in terms of this Constitution shall be valid and effective only if in writing, which shall include transmissions by telefax and/or email.
- 8.9 Any notice or communication to a Member -
- 8.9.1 contained in a correctly addressed envelope and sent by prepaid registered post to it at its postal address set out in the Membership Register; or
- 8.9.2 contained in a correctly addressed envelope and delivered by hand to a responsible person during ordinary business hours at its chosen physical address set out in the Membership Register; or

8.9.3 transmitted by telefax or email at its chosen fax number or email address set out in the Membership Register,

shall be deemed to have been received, in the case of **article 8.9.1**, on the 7th (seventh) business day after posting (unless the contrary is proved) and, in the case of **article 8.9.2**, on the day of delivery and, in the case of **article 8.9.3**, on the first business day after the day of the transmission.

8.10 The Members may by Ordinary Resolution approve the holding of a meeting on shorter notice than that provided for in **article 8.7**.

8.11 The Chief Executive Officer or the Committee may at any time convene a special general meeting of the Board, other than the general meetings provided for in **article 8.2**, should the Chief Executive Officer or the Committee deem it necessary to do so. Any notice convening such special general meeting shall specify the objects for which the meeting is called and that no business other than the business specified in that notice shall be transacted in that meeting. Members shall be given no less than 24 hours notice of such special general meeting. A special general meeting shall also be called if at least 3 (three) Members holding between them not less than 25% (twenty five per centum) of the total number of Gaming Positions held by all the Members, request in writing that they do so.

8.12 The chairperson of any meeting may with the consent of the meeting, adjourn a meeting from time to time, but, subject to **article 8.5**, no business shall be transacted at the adjourned meeting other than the unfinished business from the meeting in which the adjournment took place.

9 VOTING RIGHTS AND RESOLUTIONS

9.1 At any meeting of the Board, including an Annual General Meeting, each representative shall be entitled to cast a number of votes on behalf of the Member which he represents, equivalent to the number of Gaming Positions held by such Member at the date of the meeting in question, as reflected in the Membership Register.

9.2 The chairperson shall not have a casting vote in the event of a deadlock between the Member's representatives, and shall not be entitled to vote at all unless he is a Member's representative on the Board.

9.3 A Special Resolution of the Board shall only pass if such resolution is approved by:

- 9.3.1 a majority of the Members; and
- 9.3.2 Members who between them hold a minimum of 75% (seventy five per centum) of the total number of Gaming Positions held by all the Members.
- 9.4 Should any Member holding more than 20% (twenty per centum) of the total number of Gaming Positions held by all the Members vote against a proposed Special Resolution, such vote will not be taken into account unless one or more of the other Members, which between them hold a minimum of 10% (ten per centum) of the total number of Gaming Positions held by all the Members, also vote against such Special Resolution.
- 9.5 An Ordinary Resolution of the Board shall only pass if such resolution is approved by:
 - 9.5.1 a majority of the Members represented at the meeting at which such Ordinary Resolution is proposed; and
 - 9.5.2 Members who between them hold more than 50% (fifty per centum) of the total Gaming Positions held by all the Members.
- 9.6 The following matters will require the unanimous approval of the Board:
 - 9.6.1 the expansion of the activities of the Association into new business or geographical areas;
 - 9.6.2 the making or incurring of loans, borrowings, mortgages, guarantees or any other form of indebtedness by the Association; and
 - 9.6.3 the acquisition of immovable property.
- 9.7 The following matters must be approved by a Special Resolution:
 - 9.7.1 the admission of a new Member;
 - 9.7.2 the alteration or amendment of this Constitution;
 - 9.7.3 the change of the Association's name;
 - 9.7.4 the adoption of strategic plans and/or operating budgets for the Association;

- 9.7.5 the determination and approval of the Association's capital expenditure commitments;
- 9.7.6 the determination of membership fees;
- 9.7.7 the imposition of any additional levies upon the Members as envisaged in **article 6.3.2**;
- 9.7.8 the employment, removal and/or remuneration of the Chief Executive Officer;
- 9.7.9 the appointment of the members of the Committee;
- 9.7.10 the commencing or settling of any substantial litigation matters (substantial litigation matters being considered to be those which would fall within the jurisdiction of one of the South African high courts (or a higher court) or a foreign court, unless otherwise determined by a Special Resolution);
- 9.7.11 the appointment or removal of the Association's auditors;
- 9.7.12 the alteration of the Association's accounting policies;
- 9.7.13 any merger between the Association and third parties;
- 9.7.14 the disposal of all or a major portion of the business and assets of the Association;
- 9.7.15 the reorganisation, restructuring or incorporation of the Association;
- 9.7.16 the acquisition or disposal of assets, or the entering into of any agreements, with a value in excess of R500 000,00 (five hundred thousand Rand);
- 9.7.17 the licensing of the Association's intellectual property rights;
- 9.7.18 the entering into of any contract or other commercial arrangement between the Association and any of its Members, provided that the Member/s in question shall not be entitled to cast a vote in this regard;
- 9.7.19 the imposition of any disciplinary steps against its Members, including, without limitation, the termination of a Member's membership, or the imposition of any disciplinary steps against its

officers or employees, including, without limitation, the members of the Committee; and

9.7.20 delegation of authority, powers of attorney or general or specific authorisation of the Chief Executive Officer to do anything specified therein on behalf of the Association over and above his/her powers and duties herein described.

9.8 All other matters may be approved by an Ordinary Resolution.

9.9 Each Member shall be obliged to cast its vote in an independent and *bona fide* manner, and no voting pool arrangements or agreements will be allowed among Members.

9.10 The Board shall not be entitled to pass any resolution which shall restrict or materially interfere with a Member's discretion to run its organisation and business in the manner it deems fit.

9.11 A resolution in writing circulated to all Members and signed on behalf of the requisite number of Members by their appointed representatives on the Board (the requisite number being determined by whether the resolution is an Ordinary, Special or unanimous resolution, and the provisions of **articles 9.3, 9.4 and 9.5**), and inserted in the minute book of the Association by the secretary of the Committee, shall be as valid and effective as if it had been passed at a meeting of the Board, irrespective of where the Member's representatives were located at the time of signing, and shall be noted at the next following meeting of the Board. Any such resolution may consist of several documents in like form, each signed by one or more signatories to the resolution.

10 MANAGEMENT COMMITTEE

10.1 Appointment of the Committee

10.1.1 The Board may appoint a Committee for the purposes of implementing decisions of the Board and administering the affairs of the Association.

10.1.2 The Committee may, subject to **article 10.1.3**, be elected annually by Special Resolution during the Annual General Meeting, and shall consist of:

10.1.2.1 a chairperson;

- 10.1.2.2 a treasurer;
- 10.1.2.3 such other number of members as specified by Board from time to time; and
- 10.1.2.4 the Chief Executive Officer ex officio, who shall not have a vote at meetings of the Committee.
- 10.1.3 In the case of the permanent vacation for whatsoever reason of any of the positions of the Committee prior to the appointment of a new Committee at the Annual General Meeting, new office bearer/s will be elected by Special Resolution for the remainder of such term.
- 10.1.4 All Committee members shall be natural persons, and shall serve a 12 (twelve) month term of office unless re-elected for a further period.
- 10.1.5 Any suitably qualified natural person, who does not have to be one of the Member's representatives which sit on the Board, may be elected as a Committee member, provided that each Member shall not be entitled to have more than 1 (one) representative on the Committee.
- 10.1.6 The chairperson of the Committee may not be elected for more than two consecutive terms. Should any chairperson serve two consecutive terms, then he/she will not thereafter be eligible for further election to the position of chairperson for a period of two years after the expiry of his second consecutive term.

10.2 *Powers of the Committee*

In addition to anything contained in this Constitution and subject to the limitations stipulated in **article 10.3**, the Committee shall be empowered to:

- 10.2.1 open and close accounts at registered commercial banks in the RSA on behalf of the Association and to operate on such accounts and to draw, accept, endorse, make and execute cheques, bills of exchange, promissory notes or any other negotiable instruments necessary for the conduct of the Association: Provided that all such cheques and negotiable instruments shall be signed jointly by the Chief Executive Officer and the General Manager from time to time of the Association or, if either or both of these persons should be

indisposed or unavailable or if either or both of these positions should be vacant, such signatures shall be attended to jointly by the remaining incumbent in the aforesaid positions (if applicable) and by any one, or two, as applicable, Committee member(s), in order to achieve joint signatories;

10.2.2 delegate any of its powers to the Chief Executive Officer and/or any other persons as it deems fit in the manner set out in this Constitution, or in the absence of any express provisions, in any manner that they deem fit, and may from time to time revoke such delegation; and

10.2.3 authorise in such a manner it thinks fit, the recovery of all monies including membership fees (if applicable), due to the Association; and

10.2.4 to co-opt such additional members to the Committee as are necessary to assist the Committee with specified projects, provided that such co-opted members shall not, for the purpose of this Constitution, be deemed to be members of the Committee.

10.3 Limitations of the Committee

The powers of the Committee shall be limited to the extent that it must seek the approval of the Board with regard to:

10.3.1 any matter which would, in terms of this Constitution, require approval of the Board by unanimous consent or Special Resolution;

10.3.2 entering into any contracts other than in the ordinary course of performing its duties; and

10.3.3 undertaking business transactions which involve an expenditure which is equal to or greater than 50% (fifty percent) of the total amount of the income received by the Association during the preceding 12 (twelve) months.

10.4 Duties of the Committee

10.4.1 The primary obligation of the Committee is to further the primary objects of the Association stated in **article 4** and to implement the decisions of the Board.

- 10.4.2 The duties of the secretary shall include, *inter alia*, attending all meetings, recording minutes of the proceedings and distributing such minutes to all Members of the Association via the Chief Executive Officer.
- 10.4.3 The duties of the treasurer shall include, *inter alia*:
- 10.4.3.1 maintaining the Association's accounts in such bank accounts as may be approved by the Committee from time to time;
- 10.4.3.2 maintaining proper books of account for the Association, as envisaged in **article 14.4**;
- 10.4.3.3 performing all administrative activities relating to the payment of membership fees by the Members, including, if necessary, the taking of steps to enforce the payment thereof;
- 10.4.3.4 procuring that all financial information of the Association is available at meetings for discussion and approval;
- 10.4.3.5 providing the Members with quarterly financial reports;
- 10.4.3.6 tabling a financial statement of the year's transactions at each Annual General Meeting for approval by the Members.

10.5 *Proceedings of the Committee*

The Committee members may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they deem fit. Any such meeting shall be governed by the following procedures:

- 10.5.1 each member of the Committee shall have 1 (one) vote. All decisions of the Committee shall be required to be made by consensus of all members present at the meeting, and should no consensus be reached on a proposal at two consecutive Committee meetings, then such proposal will be referred to the next meeting of the Board. Each Committee member shall be obliged to cast his / her vote in an independent and *bona fide* manner, and no voting pool arrangements will be allowed among members;
- 10.5.2 a minimum of 3 (three) Committee members shall constitute a quorum for Committee meetings.

- 10.5.3 no business shall be transacted at any Committee meeting unless a quorum is present at the time when the meeting proceeds to business and throughout the meeting;
- 10.5.4 the provisions of **articles 8.3** and **9.11** shall apply *mutatis mutandis* to all Committee meetings;
- 10.5.5 any Member shall be entitled to send an observer to meetings of the Committee, whether or not it has representatives on the Committee.

10.6 Notice of Committee Meetings

Not less than 24 hours notice in writing of any Committee meeting shall be given to all Members, whether or not they have representatives on the Committee. The notice of such Committee meeting shall state the place, day and hour of that meeting (all of which shall be determined by the chairperson). Unless otherwise decided by the chairperson, the Committee meetings will be held in the Greater Johannesburg Metropolitan Area.

10A. CHIEF EXECUTIVE OFFICER

In addition to anything contained in this Constitution, the Chief Executive Officer shall have the following powers, duties and functions on behalf of the Association, subject to any terms or mandates as may be issued by the Board or the Committee in regard to the matter in question:

- 10A.1 to send communications to international and local gaming authorities, governmental bodies and others;
- 10A.2 to issue statements to the media on behalf of the Association;
- 10A.3 to authorise and oversee the establishment of local branches or provincial or regional chapters of the Association in any designated centre of the RSA, which branches or chapters shall act in accordance with the directions and delegations of the Chief Executive Officer and shall report to the Chief Executive Officer on at least an annual basis;
- 10A.4 to form sub-committees to carry out specific duties or projects as determined by the Board or the Chief Executive Officer, for purposes of compiling reports or recommendations on the subject matter concerned for submission to the Board or the Chief Executive Officer or for any other purpose as may be determined in regard to the formation of the sub-committee concerned;

- 10A.5 to seek out formal alliances with local and international associations that share the similar or same objects as the Association and present such potential alliances to the Members for their consideration;
- 10A.6 to receive requests for meetings and to call and convene all meetings of the Board, the Committee and the sub-committees referred to in **article 10A.6**;
- 10A.7 to assume responsibility for all the Association's correspondence, including electronic communications;
- 10A.8 to keep the originals of letters and electronic mail received and copies of those dispatched;
- 10A.9 to maintain the Membership Register; and
- 10A.10 to carry out such other functions and render such other services as shall further the primary objects of the Association set out in **article 4** including, without limitation, to perform such further functions and duties as shall be permitted under a general or specific authorisation passed by the Board from time to time, subject to the budget parameters and the terms of this Constitution.

11 MINUTES AND MINUTE BOOKS

- 11.1 The secretary of the Committee shall cause minutes to be kept:
 - 11.1.1 of all appointments of officers and employees of the Association;
 - 11.1.2 of the names of persons present at every meeting of the Association and of the Committee and the Members they represent; and
 - 11.1.3 of all proceedings at all meetings of the Board and the Committee.
- 11.2 The minutes referred to in **article 11.1.3** shall be signed by the chairperson of the meeting at which the proceedings took place.

12 FINANCES

- 12.1 Members will be responsible for all their own expenses in connection with their membership of the Association, unless otherwise provided for in this Constitution.
- 12.2 The Committee may accept unconditional offers from Members or any other organisation to pay for special projects undertaken by the Association.

- 12.3 The Committee shall be entitled to charge special levies to members from time to time in order to fund special projects undertaken by the Association that are necessary for, or ancillary to, the Association's objects as contemplated in **article 6.3.2**, provided that such special levy shall be approved by a Special Resolution.

13 **AUDITORS**

Prior to any Annual General Meeting, the Committee shall, pursuant to the terms of a special resolution referred to in **article 9.7.10**, appoint a natural or legal person to audit the Association's annual financial statements for that year, which are to be tabled thereat.

14 **ACCOUNTING**

- 14.1 The Association shall not distribute any of its profits or gains to any natural or legal person unless dissolved in accordance with **article 18** and shall utilise its funds solely for the objects for which it has been established.
- 14.2 All monies received on behalf of the Association shall be deposited in one or more accounts as contemplated in **article 5.5** above. All payments to be made on behalf of the Association shall be made by cheque drawn on any such account or by cheques issued by the commercial bank with which a particular account is operated.
- 14.3 Deposits into any such account may be made on the signature of the Chief Executive Officer or any one Committee member, but all other operations on any such account shall comply with the provisions of **article 10.2.2**.
- 14.4 The treasurer shall keep proper books of the accounts of the Association in accordance with generally accepted accounting practice. Such books, together with all other papers and documents connected with or relating to the Association, shall be kept at such place as may be determined from time to time by the Chief Executive Officer in consultation with the treasurer of the Committee and must be accessible to each of the Members.

15 **MISCELLANEOUS**

- 15.1 Any register of Members and address lists compiled by the Association from time to time may not be used for any purpose other than to give effect to the objects of the Association, unless the prior approval of the Board has been obtained by way of Ordinary Resolution.

- 15.2 No action may be taken against a Member or a Member's representative, unless a report was tabled to the Board and reasonable opportunity was given to the Member or the Member's representative to defend such Member's position.
- 15.3 The financial year of the Association shall end on the last day of December each year.
- 15.4 The Association shall conduct its business in English.
- 15.5 The public officer of the Association shall be the Chief Executive Officer.
- 15.6 The registered office of the Association will be the registered address of the auditors appointed to act on behalf of the Association in terms of **article 13**, or such other address and premises as may be determined by the Board from time to time.

16 INDEMNITY

- 16.1 Neither the Association nor any of its Members, officers or their employees shall be responsible for any loss or damage which a Member may sustain by reason of any act or omission on the part of the Association, its Members, officers or employees, or otherwise whatsoever, whether such act or omission relates to the performance or non-performance by the Association or its Members or officials of their duties in terms of this Constitution or otherwise.
- 16.2 No Member shall be answerable or deemed to be in any way responsible for any act or default of any other Member or for any deficiency or insufficiency of any title or security whatsoever taken by the Association, save to the extent that such Member acted grossly negligent or fraudulently.
- 16.3 Subject to **article 16.1** above, each Member is indemnified out of and from the funds and property of the Association, against all losses, charges, costs, damages and other liability which that Member may suffer or incur as a result of executing his duties as a Member, save to the extent that such Member acted negligently or fraudulently.
- 16.4 Each member of the Committee is indemnified out of and from the funds and property of the Association, against all losses, charges, costs, damages and other liability which that member may suffer or incur as a result of executing his duties as a member of the Committee, save to the extent that such member acted negligently or fraudulently.

- 16.5 No Member shall be liable for any losses occasioned by the commercial bank or other persons with whom monies or securities of the Association are deposited or entrusted for safe custody, investment or otherwise, nor for any loss, misfortune or damage which may happen or take place in the execution of that Member's duties or as a result thereof, save to the extent that such Member acted grossly negligently or fraudulently.

17 ALTERATION OF THE CONSTITUTION

This Constitution or any part thereof may be altered by a Special Resolution passed at a meeting of the Board, provided that at least 21 (twenty-one) days' notice of the proposed amendment is given to all Members.

18 DISSOLUTION

- 18.1 The Association shall be dissolved upon a Special Resolution to that effect at a meeting convened for that purpose provided that notice of the proposed resolution is given to Members not less than 21 (twenty-one) days' before the date of the meeting.
- 18.2 Upon the dissolution of the Association, the Committee, with the assistance of the Chief Executive Officer, shall, after making provision for the costs of dissolving the Association, distribute any accumulated funds of the Association to the Members on a *pro rata* basis, in accordance with the number of Gaming Positions held by each Member at that time, provided that the Board shall be entitled to decide by means of Special Resolution that such funds shall not go the Members, but shall be distributed to an association not for gain with similar objectives to those of the Association.

19 INTERPRETATION

- 19.1 In this Constitution, unless the context requires otherwise:
- 19.1.1 word importing any one gender shall include the other two genders;
- 19.1.2 the singular shall include the plural and *vice versa*;
- 19.1.3 a reference to natural persons shall include created entities (corporate or unincorporated) and *vice versa*.
- 19.2 In this Constitution, the headings have been inserted for convenience only and shall not be used for nor assist or affect its interpretation.

19.3

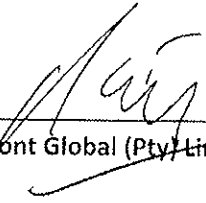
If anything in a definition is a substantive provision conferring rights or imposing obligations on anyone, effect shall be given to it as if it were a substantive provision in the body of this Constitution.

SIGNED at Johannesburg on 30 MAY 2012



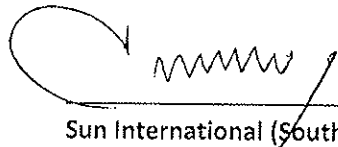
Emerald Safari Resorts (Pty) Limited

SIGNED at Johannesburg on 30 MAY 2012



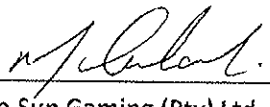
Peermont Global (Pty) Limited

SIGNED at Johannesburg on 30 MAY 2012



Sun International (South Africa) Limited

SIGNED at Johannesburg on 30 May 2012



Tsogo Sun Gaming (Pty) Ltd.

ANNEXURE "A"

Members

- 1. Emerald Safari Resorts (Pty) Limited**
- 2. Peermont Global (Pty) Limited**
- 3. Sun International (South Africa) Limited**
- 4. Tsogo Sun Gaming (Pty) Limited**