

THE FERTILIZER ASSOCIATION OF SOUTHERN AFRICA NPC

COMPANY RULES

This document contains the company rules made by FertASA's board of directors in terms of sections 15(3) – (6) of the Companies Act 71 of 2008 read with FertASA's memorandum of incorporation and accepted by the members of FertASA on 14 March 2013 by ordinary resolution.

1. DEFINITIONS

- 1.1 "the Act" means the Companies Act 71 of 2008 and its regulations as amended from time to time;
- 1.2 "Applicant" means any person, company, body corporate, statutory body, partnership or association who applies to FSSA for membership;
- 1.3 "Affiliate members" means the companies and institutions which as defined in the MOI;
- 1.4 "Board" means the board of directors of FertASA;
- 1.5 "FertASA" means the Fertilizer Association of Southern Africa NPC;
- 1.6 "Honorary Members" means the companies and institutions which as defined in the MOI;
- 1.7 "Member" means a voting member or a non-voting member of FertASA and includes Ordinary Members, Affiliate Members and Honorary Members;
- 1.8 "MOI" means the memorandum of incorporation of FertASA adopted by the Members by special resolution dated 14 March 2013 as amended from time to time;
- 1.9 "Ordinary Member" means the companies and institutions which as defined in the MOI;

2 BOARD COMPOSITION AND VACANCIES

- 2.2 In terms of Article 4 of the MOI, the Board consists of and 4 (four) alternate directors plus one ex-officio Director of the company as contemplated in Section 66(4) to be designated in the manner specified in Part B of Schedule 4. The Board may act notwithstanding any vacancies on it but must endeavour to fill those vacancies as soon as possible.

2.3 Election of Chairman and Vice-Chairman

A chairman and vice-chairman of the Company shall be elected from the Directors as individuals every second year by the members at a general meeting. Their period of office shall be two years. Such officials shall be available for re-election. Should the office of chairman or vice-chairman be vacated for any reason, the Board of Directors shall have the power to fill the vacancy for the remaining portion of the period of office.

2.4 Chairman of Meetings

2.4.1 The chairman and vice-chairman of the Company shall automatically perform the function of the chairman and vice-chairman of the Board of Directors and General Meeting.

2.4.2 At each meeting of The Company or Board of Directors the chairman of the Company, if not present within fifteen minutes after the time appointed to hold the meeting, or failing such presence or if the chairman be unwilling to act as chairman, the vice-chairman shall preside. If neither the chairman nor vice-chairman is present or unwilling so to act, the meeting shall appoint its own chairman.

2.4.3 The chairman 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. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Notice of the adjournment of a general meeting shall be given in terms of the Companies Act No. 71 of 2008, as amended, when such section is applicable, and save as aforesaid, it shall not be necessary to give notice neither of the adjournment nor of the business to be transacted at an adjourned meeting.

2.5 Appointment of Committees

2.5.1 The Board of Directors shall have power to appoint committees from members, representatives of members, and non-members, whom it may consider willing and for some special reason particularly suitable for such appointment. The Board of Directors is to determine the scope of work to be done by such committees, and to appoint the chairman of the subcommittees, who in the absence of other special provisions shall be the convener of such committees. Committees shall have similar power to appoint further committees with similar power of appointment.

2.5.2 The Members shall have power to appoint operating committees at a general meeting to perform work on behalf of the members. The CEO is to determine the scope of work to be done by such committees. The members of each Operating Committee shall appoint the chairperson of the committee. Such committees shall report to the Chief Executive Officer.

2.6 Co-option

2.6.1 The Board of Directors and any committees shall have power to co-opt such persons, who, by reason of specialised knowledge, may be of assistance to the committee. No co-opted representative serving on the Board of Directors or any committee, or any non-members appointed to a committee shall have the right to vote.

2.7 Quorum of Committees

In the case of a committee not less than three representatives of ordinary members of the Company shall form a quorum.

2.8 The Secretary

2.8.1 The Secretary shall supply each member with a copy of the Memorandum of Incorporation and Rules of the Company, shall enter or cause to be entered into a Minute Book or Books a record of all business transacted at meetings of the Company, Board of Directors and committees, and shall fulfil all requirements of a secretary as laid down in the Rules and the Companies Act

2.8.2 Further, the Company shall submit at each ordinary general meeting of the Company a statement of receipts and expenditure for the financial year, which shall terminate on the 31st December of the previous year.

3 MEMBERSHIP APPLICATION AND APPROVAL

3.1 Any membership application must be complete and correct, and must be submitted, by hand or electronically, to the Board for approval on the prescribed application form.

3.2 Application for membership must be made for Ordinary and Affiliate Membership in accordance with the Memorandum of Incorporation.

3.3 The Board must, within 60 business days after receiving a complete and correct application, decide whether or not to approve the application, and provide written reasons for its decision to the applicant. If an application for Membership is approved, the Board must confirm the class of membership.

4 TERMINATION OF MEMBERSHIP BY THE MEMBER

4.1 A Member that resigns must resign in writing and submit such resignation to the Board.

4.2 A membership resignation is final. If membership has been terminated by a Member, a new application for membership will be required if the individual or organisation wishes to become a Member of the Company at any future date.

5 VOLUNTARY SUSPENSION AND REINSTATEMENT OF MEMBERSHIP

5.1 Voluntary suspension of membership is possible if a Member does not intend to be active within the areas defined as a precondition for membership in South Africa for a specified period of time.

5.2 If a Member wishes to voluntarily suspend their membership for a period of time, a request for voluntary suspension has to be submitted for approval on the prescribed form, by hand or electronically, to the Board.

5.3 Voluntary suspension will become effective from the end of the quarter of the year in which voluntary suspension is approved by the Board.

- 5.4 Upon approval of voluntary suspension, membership fees will be payable for the remainder of the calendar year.
- 5.5 To restore membership after voluntary suspension, the suspended Member must apply for reinstatement to the Board on the prescribed form, submitted by hand or electronically.
- 5.6 Upon approval of reinstatement, membership fees will become due on a pro rata basis for the calendar year in which the application is approved.

6 TERMINATION OF MEMBERSHIP BY THE BOARD

- 6.1 If the Board terminates a Member's membership, the Member will be notified within 7 days from the decision date.
- 6.2 Membership termination is effective from the date of the Board decision and is final.
- 6.3 Termination of membership is final. If membership has been terminated by the Board, a new application for membership will be required if the individual or organisation wishes to become a Member of the Company at any future date.

6.4 Termination in terms of the FertASA Code of Conduct

- 6.4.1 The Board adjudicates upon all complaints and appeals. The interpretation of the Code of Conduct is vested in the Board.
- 6.4.2 The Chairman of the Board may, if satisfied that no injustice will result, extend any time period contemplated in the rules pertaining to termination of membership in terms of the FertASA Code of Conduct.
- 6.4.3 Any interested party wishing to make a complaint (hereinafter called the complainant) against a FertASA member in terms of the FertASA Code of Conduct, must submit a written complaint to the Chairman of the Board. The complainant shall be provided with a copy of the Code of Conduct. The complaint must take the form of a written statement and must contain full particulars of the complaint, copies of all relevant correspondence, the names and addresses of any witnesses, if applicable, and any other evidence, including affidavits in support of the complaint.
- 6.4.4 The Chairman of the Board must submit a copy of any complainant's statement to the respondent. The respondent must within fourteen days of receipt of such statement submit a written statement to the Chairman of the Board which must set out fully his/her/their defense to the complaint together with reference to supporting evidence where necessary, including the names and addresses of witnesses, if applicable. The Chairman of the Board must submit a copy of the respondent's statement and supporting documents to the complainant.

- 6.4.5 The Chairman of the Board must determine a date, time and venue for the hearing of any Code of Conduct complaint against a FertASA member.
- 6.4.6 The Chairman of the Board must notify the complainant and the respondent of the date, time and venue of the hearing at which a complaint will be adjudicated upon.
- 6.4.7 The complainant and the respondent must both appear personally at the hearing of the complaint and will be permitted to give oral evidence and call witnesses.
- 6.4.8 The complainant and the respondent will not be entitled to legal representation at the hearing.
- 6.4.9 Any party who gives oral evidence may be cross-examined and questioned by the Board and may be re-examined in accordance with the procedure ordinarily applied in South African Courts of Law.
- 6.4.10 Any party giving evidence at a complaint hearing must take an oath or make affirmation.
- 6.4.11 All oral evidence given at a complaint hearing must be recorded.
- 6.4.12 After all the evidence has been given, both parties will be entitled to address the Board in the order determined by the Chairman of the Board.
- 6.4.13 After a hearing has been completed, the Board must draw its conclusion and prepare a report on its finding. Copies of the report must then be sent to the complainant and the respondent.
- 6.4.14 The Board has the sole right to decide, after considering the report, whether or not to implement the recommendation, including a recommendation to withdraw membership of any member. There is no right of appeal against such a decision.

7 MEMBERS' RIGHTS

- 7.1 Members are entitled to vote in accordance with the Memorandum of Incorporation.
- 7.2 Voting members can nominate candidates for election or appointment to the Board in accordance with the Memorandum of Incorporation.

8 MEMBERS' OBLIGATIONS

- 8.1 All Members must comply with the MOI, Company Rules, and Code of Conduct.
- 8.2 Members pay the following fees:
- 8.2.1 Application fees:
No application fee is to be paid.
- 8.2.2 Membership fees:

8.2.2.1 Ordinary Members

LEVEL	ANNUAL TURNOVER (R million)	ANNUAL MEMBERSHIP FEE (Rand; excluding VAT) (2013 calendar year)
1	< 50	42 000
2	> 50 – 200	68 575
3	> 200 - 500	116 600
4	> 500 – 1 000	176 550
5	> 1 000 – 1 800	240 800
6	> 1 800	270 000

8.2.2.2 Affiliate members

TYPE OF MEMBERSHIP	ANNUAL FEES (Rand; excl. VAT) (2013 calendar year)
Affiliate Membership: Organisation	6 450
Affiliate Membership: Individual	2 000
Affiliate Membership: Student	250

8.2.3 Fees can be paid by cheque or by electronic funds transfer into the following bank account:

Bank name: First National Bank of South Africa

Branch: Lynnwood

Account name: The Fertilizer Association of Southern Africa (FertASA)

Account no: 50 980 765 860

Branch code: 25-20-45

8.2.4 Such fees applicable to members will be revised on a yearly basis by the Board.

9 GENERAL

9.1 A proxy is valid for 6 (six) months from the date when it was signed, unless specifically stated otherwise in the proxy itself.

9.2 A proxy will only be used at an adjourned meeting if it could have been used at the original meeting.

9.3 A voting Member entitled to attend and vote is entitled to appoint a proxy to attend, speak and vote in the voting Member's stead, and such proxy need not also be a Member.

9.4 An instrument appointing proxy must be delivered to FertASA at least 48 (forty eight) hours before the meeting at which the person named in the instrument proposes to vote.

9.5 The instrument appointing a proxy must be in writing, signed by the appointer or by his agent duly authorised in writing, and in the following form (or as near to that form as possible):

I/We.....of being a member of FertASA, hereby appoint
 of or failing him/her of
 as my/our proxy to attend and speak for me/us and on my/our behalf at the Annual
 General Meeting or general meeting (as the case may be) of FertASA to be held on theday
 of and at any adjournment thereof, as follows:

Resolution:	In favour of	Against	Abstain from voting
Resolution No1			
Resolution No2			
Resolution No3			

Note. Indicate instruction to proxy by way of a cross in space provided above.

If columns 1, 2 or 3 are not completed, then my proxy may vote or abstain from voting as he deems fit.

My proxy is valid for _____ days/months/years (delete what is not applicable).

SIGNED at _____ this _____ day of
 _____ 20.....

.....
Signature