

CONSTITUTION OF THE KNYSNA HOPE ASSOCIATION

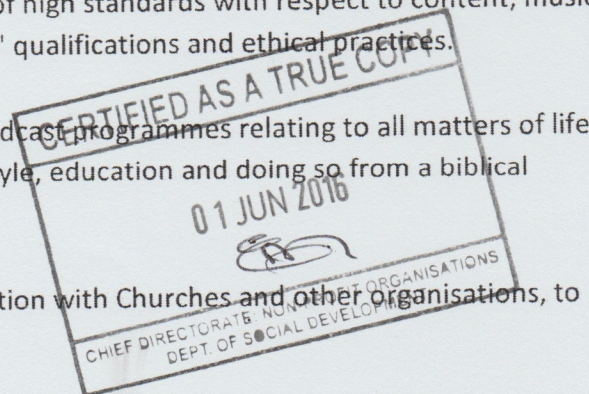
1 NAME

- a. The name of The Association is: **Knysna Hope** (*hereafter referred to as "The Association."*)
- b. The name of The Association in another official language (Xhosa) of the Republic is: **iThemba le Knysna** (*hereafter referred to as "The Association."*)

2 OBJECTIVES

The objectives of The Association are:

- 2.1 To bring practical and spiritual upliftment to the people of Knysna and the surrounding Garden Route communities;
- 2.1.1 Through feeding schemes, safe houses, youth outreach, counselling centre (including crisis pregnancy).
- 2.1.2 Through music training and performance, and skills development centres.
- 2.1.3 Through the creation of multiple community centres to provide spiritual and practical resources for family growth and well-being.
- 2.2 To apply for and obtain a Community Broadcasting Service licence, and to operate a Community Broadcasting Service in order to:
- 2.2.1 To assist the Church to fulfil the command of Jesus Christ to make disciples of all people. 2.2.2 To produce and to ensure the broadcast of Christian radio programmes of high standards with respect to content, music, programme format, speakers' qualifications and ethical practices.
- 2.2.3 To produce and to broadcast programmes relating to all matters of life, e.g. family, health-care, lifestyle, education and doing so from a biblical perspective.
- 2.2.4 To encourage co-operation with Churches and other organisations, to better serve the community.



3 STATEMENT OF FAITH AND KNYSNA HOPE VISION

The statement of faith of The Association will be reviewed from time to time to ensure that it is always relevant and properly represents the vision and goals of its

founding purposes as declared in the Knysna Hope Vision document. The statement of faith will always be oriented towards promoting Christian principles and doctrine.

The founding documents can only be changed or amended by means of a unanimous vote of Participative Members (as defined in Section 4 (4.2) below) at an Annual General Meeting or Special General Meeting as defined by meetings in Section 8 below.) The Statement of Faith and the Knysna Hope Vision shall be published by The Association as a separate document to this constitution.

4 MEMBERSHIP

4.1 Any persons, churches, or non-profit organizations agreeing to the values and convictions of The Association as delineated in The Statement of Faith and Knysna Hope Vision, will have the right to membership. An annual affirmation will need to be signed by the individual person, or the representative from the member organization prior to the AGM.

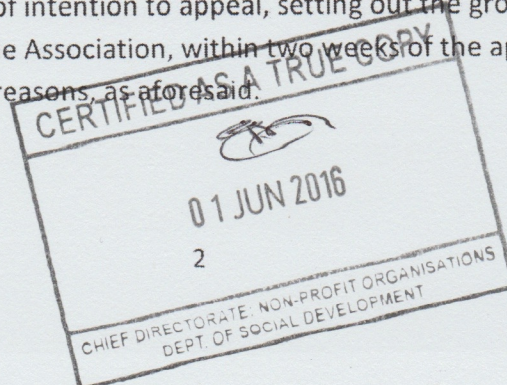
4.2 Participative Membership:

4.2.1. Any person who fulfils 4.1 above shall be allowed to become a full participative member of The Association.

4.2.2. Participative Members need to register with The Association by completing an Acceptance Document, and positively indicating that they accept the constitution of The Association and its values, the Statement of Faith, and the Knysna Hope Vision.

4.2.3. The membership Acceptance Document shall be made available upon request.

4.2.4. Should The Association, as decided by the Community Board (as described in Section 6 below), object to the membership of a participative member, the Community Board shall provide written reasons for the rejection of any application. These objections shall be given to the applicant concerned within two weeks of the refusal of the application in question, and such applicant shall have the right to appeal against such refusal at the next Annual General Meeting, which shall decide such appeal on a majority vote. Written notice of intention to appeal, setting out the grounds of appeal shall be served on The Association, within two weeks of the applicant having been furnished with reasons, as aforesaid.



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4.2.5. Termination of Participative Membership may be voluntary, by giving 30 days written notice of such intention to The Community Board. If a member fails to comply with The Association's Statement of Faith, its Constitution or the Knysna Hope Vision, a meeting will be called to address the charges. Written notice of the charges and of the time and place of The Community Board's meeting at which such charges are to be considered, and will be sent by the Secretary to the member, at least 30 days before the meeting. The member shall be offered a reasonable opportunity to be heard before final action of membership termination is taken.

4.2.6. Former Participative Members desiring reinstatement shall apply by completing a new Acceptance Document, indicating thereon that the application is for reinstatement, and the application shall be processed in the normal manner. In the instance of involuntary termination, the cause(s) for which they were terminated must be rectified.

5 **ORGANS**

The Organs of The Association are:

5.1 The Community Board (Section 6 Below)

5.2 The Management (Section 7 Below)

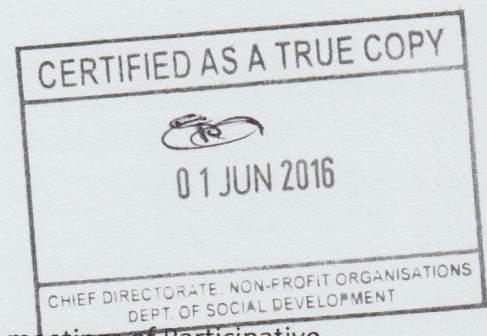
5.3 The Annual General Meeting (AGM) and other meetings of Participative Members. (Section 8 Below)

6 **COMMUNITY BOARD**

6.1 The group of individuals who begin the Knysna Hope association and institute the operation of such shall conduct themselves as members of the Community Board until such time as the Community Board is properly formed and accepted at a special meeting held by the Association.

6.2 The group of individuals who begin the Association as outlined in 6.1 above shall conduct themselves under the same governances of the Community Board as outlined herein. They shall however, have no power to employ any individual.

6.3 The group of individuals who begin the Association as outlined in 6.1 above shall hand necessary governance of the Association to the properly formed Community Board within three months of registration as a NPO.



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6.4 The Community Board shall have at least five (5) members. All Board members perform their duties on a voluntary basis, and without remuneration.

6.5 All Community Board members must be members of the Republic of South Africa.

6.6 The Community Board members shall serve for two years, where after they retire, but shall be eligible for re-election after 2 years of nonservice.

6.7 Any casual vacancy may be filled, whenever this occurs, by The Community Board to be endorsed by the next Annual General Meeting. Should more than two casual vacancies occur during the nine month period following any annual general meeting, then such vacancies that exceed two in number shall be filled only by board members elected at a special meeting of The Association, which meeting shall be held within two months of the third or further vacancy occurring.

6.8 The Community Board elects from its midst the Chairperson, Vice-Chairperson, Secretary and Treasurer.

6.9 The Community Board members shall be elected by the members at the Annual General Meeting from amongst the Participative Members in good standing.

6.10 The Community Board shall meet at least once every four (4) months. The quorum at the meetings is at least two thirds of The Community Board members having voting power.

6.11 Resolutions at any meeting shall be decided by a majority of votes, but shall preferably be passed unanimously.

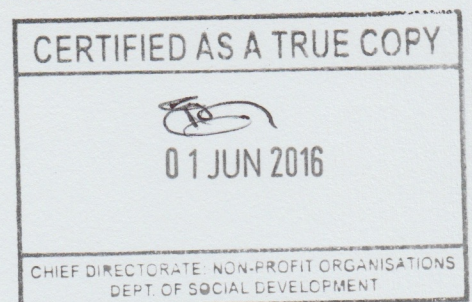
6.12 The Community Board shall cause proper books and records to be kept, in particular:

6.12.1 Minutes of all meetings;

6.12.2 Appointments of officers and auditors;

6.12.3 All financial dealing;

6.12.4 Any operational reports;



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6.13 In connection with all activities and documents as outlined in 6.9 above, or any decision or directive made by the Community Board, the Secretary shall obtain written notice stating that the Management has been made aware of the details of said activities and documents as outlined in 6.9 above, or any decision or direction taken by the Community Board.

6.14 Any Chief Operations Officer (COO) employed by The Association shall be an ex-officio member of The Community Board, shall have no voting power, and may not be elected as Chairperson.

6.15 No Board member shall have a vote regarding the contract or proposed contract with The Association if he has an interest in such a contract or in any matter there from forthcoming. If such a vote is cast as meant in this paragraph, such a vote shall not be counted.

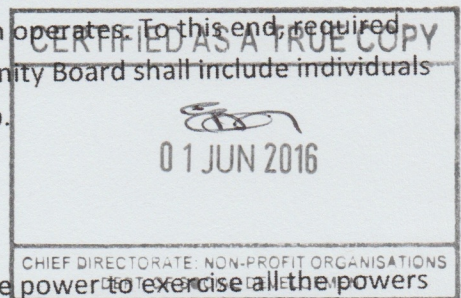
6.16 All acts done by any meeting of The Community Board or a committee of Board or by any person acting as a Board member shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Board or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and were qualified to be a Board member.

6.17 Should a board member be absent from three consecutive meetings without prior apology, his/her membership of The Community Board shall be automatically terminated.

6.18 The Community Board shall demographically represent the community it serves. As such the Community Board must consist of members that properly represent the community in which The Association operates. To this end, required members that are elected to serve on the Community Board shall include individuals from a previously disadvantaged population group.

6.19 The Power of the Community Board

6.19.1 The Community Board shall have the power to exercise all the powers and carry out all the functions of The Association, save only such powers and functions as may in this Constitution be reserved to The Association acting in general meeting. The powers hereby conferred shall, without detracting from the generality of the foregoing, include the power to institute and defend legal proceedings, open and operate bank accounts, invest funds, buy and sell



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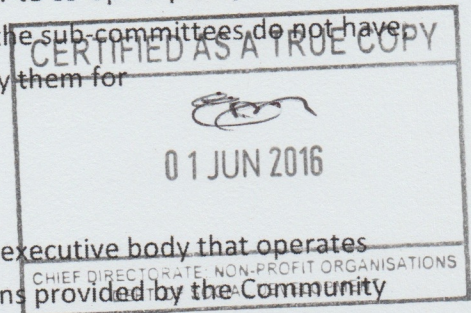
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moveable and immoveable property, employ staff, and generally to do all such things as The Community Board could, in general meeting, resolve to do.

6.19.2 The Community Board shall have the power to authorise any member or members thereof, to exercise and/or perform, specifically, any power or function of The Community Board, in such manner as may be prescribed by The Community Board, when delegating such power or function.

6.19.3 The Community Board shall have the power to appoint subcommittees, which shall be accountable to it but the decisions of such sub-committees shall be implemented only after being ratified by The Community Board.

6.19.4 Sub-committees shall have the power to co-opt experts, on an ad hoc basis, in order to acquire such expertise as the sub-committees do not have and which they consider may be required by them for their efficient operation.



7 MANAGEMENT

7.1 The Management shall be considered to be an executive body that operates under the jurisdiction of the mandates and decisions provided by the Community Board.

7.2 The Management shall be chaired by the Chief Operations Officer.

7.3 The Chief Operations Officer shall be appointed by the Community Board.

7.4 The Chief Operations Officer shall be employed by the Association and shall be remunerated according to the discretion of the Community Board. The Chief Operations Officer shall be appointed and employed according to the accepted labour regulations of the Republic of South Africa.

7.5 The Chief Operations Officer employed by The Association shall be an ex officio member of The Community Board, shall have no voting power, and may not be elected as Chairperson. Should the Chief operations Officer not be able to attend a Community Board Meeting at any time, it is his/her responsibility to appoint another member of management to attend on his/her behalf and to ensure that the member appointed to attend on his/her behalf is properly briefed and prepared to attend such a meeting. A permanent item on the Community Board meetings agenda shall be the Chief Operations Officer Report.

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7.6 The Chief Operations Officer shall be given fair hearing by the Community Board on all decisions and directives that are required by the Community Board.

7.7 In collaboration with the Chief Operations Officer, the Community Board shall create necessary positions on Management that fulfil the operational needs of the association.

7.8 In collaboration with the Chief Operations Officer, the Community Board, on behalf of the Association, employ individuals to fill the positions as created in 7.6 above.

7.9 Under the governance of the mandates and budgets provided by the Community Board, the Management have the authority to operate, make necessary business decisions, and employ necessary staff as they may see necessary to best conduct the services of the association.

7.10 Under the governance of the mandates and budgets provided by the Community Board, the Management shall have the power to co-opt experts, employ the services of contractors or organisations, on an ad hoc basis, in order to acquire such expertise as the sub-committees do not have, and which they consider may be required by them for their efficient operation.

7.11 The Management will operate within the budgetary constraints and mandates, financial or other, as decided upon by the Community Board.

7.12 All members of Management may register as Participative Members.

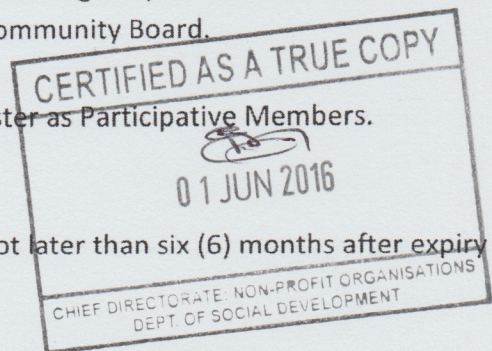
8 MEETINGS

8.1 An AGM of the members shall be held not later than six (6) months after expiry of the financial year-end.

8.2 The AGM or any members' meeting shall be open to all Community Members and Participative Members as well as any organisation that operates within the Garden Route.

8.3 Only members who are registered as Participative Members may vote at any members' meeting.

8.4 The Secretary shall, either by post, email or SMS, send notice of the time and place of the AGM and any other meetings of members to each participative member at least three (3) weeks in advance of the meeting with notice of the agenda. Notice



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of all members' meetings together with the agenda shall be posted at The Associations designated offices at least 5 days prior to any meeting of members.

8.5 The Secretary shall post notice of the time and place of the AGM and any other meetings of members on the Associations official website (3) weeks in advance of the meeting with notice of the agenda. Notice of all members' meetings together with the agenda shall be posted on the Associations official website at least 5 days prior to any meeting of members.

8.6 The Community Board or a written request by not less than 20% (twenty percent) of the Participative Members of The Association may call a special meeting of The Association at any time.

8.7 At any duly constituted meeting of the members, a quorum shall consist of not less than fifteen percent of the Participative Members in good standing. Resolutions and decisions shall be made by a majority vote of those present. Resolutions and decisions shall be by a majority vote of those present in person or by proxy in a form prescribed by The Community Board, which forms will accompany the notice of the meeting in question.

8.8 Minutes shall be kept of all meetings and resolutions taken therein, which minutes shall be signed by the Chairperson and the Secretary of the meeting.

8.9 The AGM has the following responsibilities:

8.9.1 Appointment of the Auditor

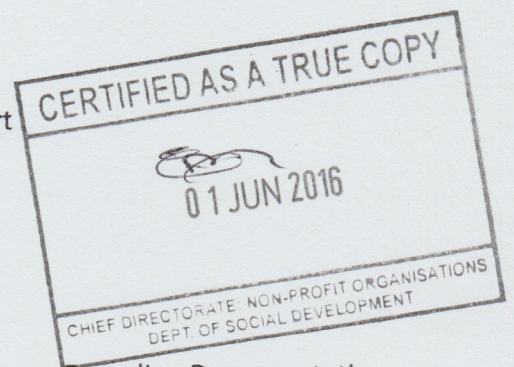
8.9.2 Adoption of the annual financial report

8.9.3 Passing of the budget

8.9.4 Accepting of the annual reports

8.9.5 Amendments to the Constitution or to any Founding Documentation including the Statement of Faith.

8.9.6 Election of The Community Board



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9. FUNDING

9.1 The Association is an Association not for gain and is funded mainly from donations, bequests, offerings, as well as sponsorship for programmes and advertising.

9.2 Income and property of The Association shall apply solely towards the promotion of its main objects, and no portion thereof shall be paid or transferred to members of The Association or any other person, provided that nothing herein contained shall prevent the payment in good faith of reasonable remuneration to any person for services actually rendered to The Association.

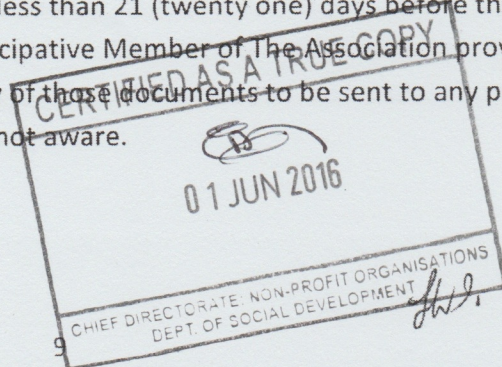
9.3 The financial year shall terminate on the last day of February each year.

9.4 The Community Board shall cause accounting records to be kept. Proper accounting records shall not be deemed to be kept if there are no accounting records as are necessary to fairly present the state of affairs and business of The Association and to explain the transactions and the financial position of the trade or business of The Association. The accounting records shall be kept at the registered office of The Association or at such other place as The Community Board think fit, and shall always be open for inspection by The Community Board members.

9.5 The Community Board shall from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounting records of The Association or any of them shall be open for inspection by members not being Board members, and no member (not being a Board member) shall have any right of inspecting any accounting records or documents of The Association except as authorised by The Community Board members or The Association in general meeting.

9.6 The Community Board shall from time to time, cause to be prepared and laid before The Association in general meeting such annual financial statement and group reports (if any) as are referred to in those sections.

9.7 A copy of any financial statement which are to be laid before The Association in annual general meeting, shall not less than 21 (twenty one) days before the date of the meeting be sent to every Participative Member of The Association provided that this article shall not require a copy of those documents to be sent to any person of whose address The Association is not aware.



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9.8 An auditor shall be appointed in compliance with the NPO Act. The appointment, powers, rights, remunerations and duties of the Auditors shall be regulated by the provision of the Act.

9.9 All dues and donations to The Association shall be irrevocable and be subject to the terms and conditions of this Constitution.

10. LEGAL STATUS

10.1 The Association shall be constituted as A Voluntary Association.

10.2 The Association shall be registered as a Non-Profit Organisation with the Department of Social Welfare. (Not compulsory)

10.3 The Association shall be registered as a Public Benefit Organisation with the South Africa Revenue Services.

10.4 The Association is a juristic person (Corporate Body) with perpetual succession, competent to institute or defend in its own name any action, to acquire rights and incur liabilities apart from its members, and to exercise any of the powers of which true voluntary Associations, whose purpose is not the acquisition of gain, are capable.

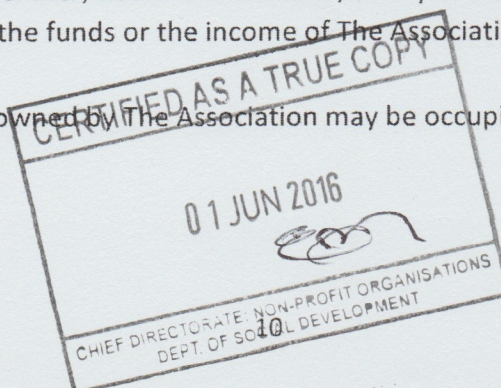
10.5 The Association may receive funds for and on behalf of the organisation's objects and purpose as set down above, and become the beneficiary of wills, legacies, gifts and annuities.

10.6 Any property, whether movable or immovable and whether already acquired, purchased, held, hypothecated or mortgaged, or hereafter purchased or acquired in any manner, shall vest in and be held by The Community Board, acting as trustees for the time being of The Association for and on behalf of the said organisation.

10.7 Members are not liable for the liabilities of The Association. Such members also do not have any claim to the assets of The Association.

10.8 No donor, member, Board member and/or any of their relatives shall receive any benefit from the funds or the income of The Association.

10.9 No building owned by The Association may be occupied free of charge by any person.



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10.10 The Association shall not be allowed to pledge its assets and/or enter into any suretyship.

11. TRADING RESTRICTIONS

11.1 Funds available for investment may only be invested at registered financial institutions as defined in section 1 of the Financial Institutions (Investment of Funds) Act, 1984, and in securities listed on a licensed stock exchange as defined in the Stock Exchanges Control Act, 1985 (Act No 1 of 1985).

11.2 Where shares (others than shares as mentioned above) have been donated or bequeathed, the shares may be held without jeopardising the exempt status of The Association.

11.3 The Association shall comply with all restrictions prescribed by the South African Revenue Services that are normally applied to Associations registered as a Non-Profit organisation and Public Benefit Organisation and shall comply with any regulation as stipulated to the Association by the South Africa Revenue Services.

11.4 No business shall be conducted by the Association that can not be directly correlated to its activities as a Community Radio Station and as are generally acceptable by its Participative Members as to obtaining its objectives as outlined in section 2 above.

12. AMENDMENT OF CONSTITUTION

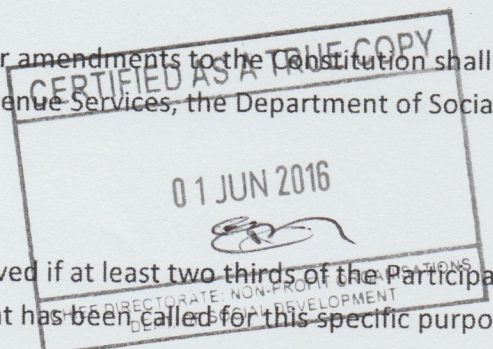
12.1 Alterations and/or amendments to the Constitution of The Association may be made by three-quarters vote of the duly qualified delegates at an Annual General Meeting of The Association, provided that the proposed change is made available to each Participative Member not less than twenty-one days prior to the time of the Annual General Meeting, which is to consider the change.

12.2 A copy of all alterations and/or amendments to the Constitution shall be submitted to the South African Revenue Services, the Department of Social Welfare (if relevant) and to ICASA.

13. DISSOLUTION

13.1 The Association may be dissolved if at least two thirds of the Participative Members, present at a meeting that has been called for this specific purpose, vote in favour of dissolution.

13.2 If at the dissolution of The Association any assets whatsoever remain after all debts have been settled and all liabilities met, the residual assets will be transferred



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to such an organisation as, in the opinion of the Community Board is best fitted to carry on the objectives of this organisation or objectives closely allied thereto, provided however, that any successor organisation shall, at the time of designation, be exempt from income tax and donation tax.

14. COMPLIANCE WITH SECTION 30(1) OF THE INCOME TAX ACT

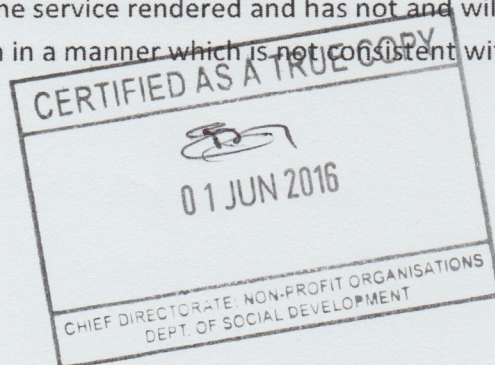
14.1 The sole object of this public benefit organisation is to carry on one or more public benefit activities as defined in section 30(1) of the Act, in a non-profit manner and with an altruistic or philanthropic intent.

14.2 Such public benefit activity/activities (or substantially the whole thereof) are carried out for the benefit of persons in the Republic of South Africa.

14.3 The public benefit organisation will not carry on any business undertaking or trading activity unless specifically permitted in terms of section 30(3)(b)(iv) of the Income Tax Act.

14.4 No donation will be accepted 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, including any misrepresentation with regard to the tax deductibility thereof in terms of section 18A: 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 of any public benefit activity) may not impose any 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.

14.5 No remuneration will be paid 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.

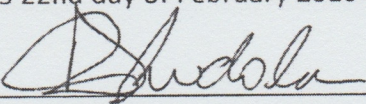


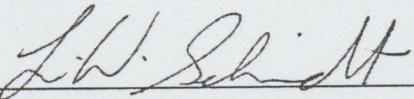
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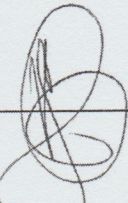
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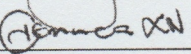
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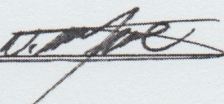
ADOPTED THIS 22nd day of February 2016 at Knysna


Chairman:  6101185821089

Vice-Chairman  660311 5103082

Secretary:  Vicki Adams 730405082080

Member  8507085408082

Member:  8001045439080

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01 JUN 2016
CHIEF DIRECTORATE: NON-PROFIT ORGANISATIONS
DEPT. OF SOCIAL DEVELOPMENT