



CTLPA

CAPE TOWN LEGAL
PROFESSIONALS ASSOCIATION

DRAFT FOR ADOPTION

Memorandum of Incorporation

A non-profit company with members

9 October 2026

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PREAMBLE

WHEREAS the persons proposing to establish the Cape Town Legal Professionals Association desire to advance the legal profession through independent professional cooperation, sound ethical standards, responsible innovation and the lawful use of emerging technologies, while promoting the administration of justice and improving access to legal information and assistance;

AND WHEREAS the Association is intended to serve the public interest by supporting communities affected by poverty, inequality and exclusion, including through community legal education, access-to-justice initiatives and appropriately authorised legal services for poor and needy persons, with programmes directed towards practical community upliftment and the realisation of constitutional rights;

AND WHEREAS the Association seeks to promote respect for the Constitution of the Republic of South Africa, 1996, the rule of law, judicial independence, the separation of powers and accountable public administration, including by making reasoned submissions on legislation and policy and engaging in lawful, independent parliamentary and public oversight processes;

AND WHEREAS the Association wishes to encourage participation by attorneys, advocates, pupils, candidate legal practitioners, in-house legal professionals, graduates, students and other persons or organisations admitted under this Memorandum, while remaining independent of any political party, regulator, commercial sponsor or sectional professional interest;

NOW THEREFORE this Memorandum sets out the objects, membership, management and financial safeguards of the proposed non-profit company, subject to the Companies Act, 71 of 2008, and applicable law.

The Company is proposed as a non-profit company with voting and non-voting members under the Companies Act, 71 of 2008. Its principal purpose and the manner in which its public benefit activities may be conducted are set out in clause 3, and any application under section 30 or section 18A of the Income Tax Act or for registration under the NPO Act remains subject to the relevant statutory requirements. The proposed name is subject to confirmation by the Companies and Intellectual Property Commission, and this Memorandum shall become operative only upon lawful incorporation or adoption in accordance with the Act.

1 Interpretation

1.1 The following expressions bear the meanings assigned to them in this clause:

1.1.1 **“Act”** means the Companies Act, 71 of 2008, read with its regulations and applicable amendments.

- 1.1.2 “**NPC**” means a non-profit company as defined in the Act.
- 1.1.3 “**Company**” means Cape Town Legal Professionals Association NPC.
- 1.1.4 “**CTLPA**” means the Company.
- 1.1.5 “**Board**” means the board of directors of the Company.
- 1.1.6 “**MOI**” means this Memorandum of Incorporation.
- 1.2 The following expressions bear the meanings assigned to them in this clause:
 - 1.2.1 “**Legal Practice Act**” means the Legal Practice Act, 28 of 2014.
 - 1.2.2 “**LPC**” means the Legal Practice Council.
 - 1.2.3 “**Legal Practitioner**” bears its meaning under the Legal Practice Act and refers to an attorney or advocate admitted and enrolled as such, whose practising or non-practising status must be accurately identified, provided that a person described as a conveyancer or notary must also hold the additional admission and enrolment required for that description.
 - 1.2.4 “**Candidate Legal Practitioner**” means a person undertaking recognised practical vocational training as a candidate attorney or as a Pupil, as contemplated in the Legal Practice Act, with the relevant training and registration requirements satisfied.
 - 1.2.5 “**Pupil**” means a person undertaking practical vocational training towards admission and enrolment as an advocate under the Legal Practice Act, subject to the applicable LPC requirements, and the description does not of itself signify admission as a Legal Practitioner.
- 1.3 “**Recognised Legal Qualification**” means an LLB lawfully awarded by an accredited South African higher education institution, or a foreign law degree whose equivalence for membership has been established under objective, published criteria using reliable proof of qualifications and, ordinarily, a South African Qualifications Authority evaluation, and includes an earlier South African law qualification recognised by the Board where it formed part of a lawful route to admission. An honorary degree, an incomplete degree or a short course alone does not qualify, and an LLM or other postgraduate qualification does not, by itself, establish equivalence without a qualifying foundational law degree or proof of a lawful route to admission.
- 1.4 “**Legal Professional**” means, solely for CTLPA membership purposes, a natural person who is a Legal Practitioner, a Candidate Legal Practitioner, including a Pupil, or a holder of a Recognised Legal Qualification, and includes qualifying LLB graduates seeking employment or training and qualifying in-

house counsel, legal advisers, legal academics and researchers, whether admitted or not. Current employment is not a requirement, and a person lawfully admitted through an earlier route is not required to obtain an LLB to qualify.

- 1.5 A foreign practitioner who qualifies under clause [1.3](#) must be described according to the jurisdiction and professional status actually held, and membership shall not constitute recognition of a foreign qualification for admission in South Africa, confer a professional designation or practising right, or authorise reserved work. A person whose admission or enrolment has ceased may apply on another genuine qualifying basis, provided that the relevant circumstances are fully disclosed and that the application does not seek to avoid an applicable suspension or disciplinary restriction.
- 1.6 **“Primary Area”** means the Province of the Western Cape, including the entire City of Cape Town metropolitan area and the West Coast, Cape Winelands, Overberg, Garden Route and Central Karoo district municipal areas, as their boundaries may lawfully be determined from time to time.
- 1.7 The following expressions bear the meanings assigned to them in this clause:
- 1.7.1 **“Code”** means the supplementary membership code of ethical conduct adopted under clause [16](#).
- 1.7.2 **“Voting Member”** means a Member belonging to the voting membership class referred to in clause [5.1](#).
- 1.7.3 **“Non-voting Member”** means a Member belonging to the non-voting membership class referred to in clause [5.1](#).
- 1.7.4 **“Corporate Member”** means a law firm, incorporated legal practice, professional association or other organisation lawfully admitted by the Board as a Non-voting Member under clause 5.4.3, whose right to attend meetings and use any CTLPA designation or branding is confined to the permissions granted under clauses 5.4.4 to 5.4.7, and whose membership does not confer a vote, a Board seat or regulatory accreditation.
- 1.7.5 **“Member”** includes a Voting Member and a Non-voting Member unless the context requires otherwise.
- 1.7.6 **“Business Day”** has the meaning and method of calculation prescribed by the Act, whereas other periods stated in days refer to calendar days.
- 1.8 **“Chairperson”** means the director elected to that office under clause [12.1](#) and, for the conduct of proceedings, includes a person lawfully presiding in that director’s place, subject to the different powers applicable to Board and Members’ meetings.

1.9 The following expressions bear the meanings assigned to them in this clause:

1.9.1 **“AGM”** means an annual general meeting of the Company held under clause 8.1.

1.9.2 **“Ordinary Resolution”** means an ordinary resolution of Voting Members adopted under the applicable thresholds and procedures in clauses 8.8 and 8.9 and the Act, including the separate requirements for written decisions, and does not include a Board resolution.

1.9.3 **“Special Resolution”** means a special resolution of Voting Members adopted under the applicable thresholds and procedures in clauses 8.8 and 8.9 and the Act, including the separate requirements for written decisions, and does not include a Board resolution.

1.10 The following expressions bear the meanings assigned to them in this clause:

1.10.1 **“Income Tax Act”** means the Income Tax Act, 58 of 1962, with its applicable amendments.

1.10.2 **“SARS”** means the South African Revenue Service.

1.10.3 **“Commissioner”** means the Commissioner for the South African Revenue Service.

1.10.4 **“Ninth Schedule”** means the Ninth Schedule to the Income Tax Act.

1.10.5 **“Republic”** means the Republic of South Africa.

1.11 The following expressions bear the meanings assigned to them in this clause:

1.11.1 **“PBO”** means a public benefit organisation as defined in section 30(1) of the Income Tax Act.

1.11.2 **“PBO Approval”** means approval by the Commissioner under section 30(3) of the Income Tax Act, with the related income tax exemption governed by, and subject to the limitations of, section 10(1)(cN) of that Act.

1.11.3 **“PBA”** means a public benefit activity as defined in section 30(1) of the Income Tax Act, including an activity listed in Part I of the Ninth Schedule or validly determined by the Minister for that purpose.

1.12 The following expressions bear the meanings assigned to them in this clause:

1.12.1 **“Section 18A Approval”** means express approval by the Commissioner under section 18A of the Income Tax Act to issue qualifying donation receipts, subject to the terms and effective date of that approval.

1.12.2 **“Part II PBA”** means a public benefit activity listed in Part II of the Ninth Schedule, provided that a further activity determined by the Minister for section 18A

purposes qualifies only to the extent permitted by that determination and applicable law.

The inclusion of these definitions shall not be construed as a representation that approval has been granted.

1.13 The following expressions bear the meanings assigned to them in this clause:

1.13.1 **“Connected Person”** has the meaning assigned in section 1(1) of the Income Tax Act.

1.13.2 **“Related Person”** means a person related to another as determined under section 2 of the Act and, for purposes of section 75 and the provisions of this MOI giving effect to it, includes every person brought within that expression by section 75(1)(b).

Each definition must be applied according to its respective statutory test, without limiting the duty to disclose and manage conflicts under clause 10.4.

1.14 The following expressions bear the meanings assigned to them in this clause:

1.14.1 **“NPO Act”** means the Nonprofit Organisations Act, 71 of 1997, including its applicable regulations and amendments.

1.14.2 **“NPO”** means a nonprofit organisation as defined in section 1 of the NPO Act.

1.14.3 **“NPO Registration”** means registration of the Company under the NPO Act, as distinct from incorporation, PBO Approval or Section 18A Approval.

1.15 The following expressions bear the meanings assigned to them in this clause:

1.15.1 **“Registered NPO”** means an NPO registered under the NPO Act, and references to the Company as a Registered NPO apply only while that status lawfully exists, including any applicable statutory deemed registration.

1.15.2 **“NPO Directorate”** means the Directorate for Nonprofit Organisations established under section 4 of the NPO Act.

1.15.3 **“NPO Director”** means the person designated under section 8 of the NPO Act and does not mean a director serving on the Board.

1.16 The following expressions bear the meanings assigned to them in this clause:

1.16.1 **“Office-bearer”**, for purposes of the NPO Act and the provisions giving effect to it, has the meaning assigned in section 1 of that Act and includes each director and any person holding an executive position in the Company.

1.16.2 **“Fiduciary”** means a person accepting fiduciary responsibility for the Company as contemplated in section 30 of the Income Tax Act, including every director.

1.17 The following expressions bear the meanings assigned to them in this clause:

1.17.1 **“Accounting Officer”** means a person qualified as contemplated in section 60 of the Close Corporations Act, 69 of 1984, read with section 1 of the NPO Act, appointed to perform the applicable NPO accounting and reporting functions, which appointment is distinct from appointment as an auditor or independent reviewer.

1.17.2 **“Banking Account”** means an account in the Company’s name with a bank registered under the Banks Act, 94 of 1990, or a mutual bank registered under the Mutual Banks Act, 124 of 1993.

1.18 The following expressions bear the meanings assigned to them in this clause:

1.18.1 **“Section 18A Donation”** means a bona fide donation of money or property actually paid or transferred to the Company which qualifies for receipting under section 18A and falls within the scope and effective date of the Company’s Section 18A Approval.

1.18.2 **“Section 18A Receipt”** means a receipt issued under section 18A(2), containing all information required by that section and the applicable public notices.

The description of a payment or its treatment in the accounting records shall not determine whether it qualifies as a donation.

1.19 The following expressions bear the meanings assigned to them in this clause:

1.19.1 **“Restricted Funds”** means money or other property whose use is restricted by law, a tax approval or a valid donation, grant or funding condition, including all Section 18A Donations and assets representing them.

1.19.2 **“Registered Tax Practitioner”** means a person registered as a tax practitioner in accordance with the Tax Administration Act, 28 of 2011, who may lawfully perform the function concerned.

1.20 The unalterable provisions of the Act prevail, and its alterable provisions apply except where lawfully varied by this MOI; references to legislation include amendments and replacements in force, and headings are for ease of reference and do not affect interpretation. The Code and all policies, resolutions and contracts must be consistent with the Act and this MOI, whose public benefit, non-distribution and restricted-fund provisions bind the Company from its effective date, whereas duties dependent on an approval or registration apply when required by the relevant law or status.

2 Name status and geographic reach

- 2.1 The Company is a non-profit company with Members, established to carry on the public benefit objects in clause 3, with legal personality and an identity separate from its Members and Office-bearers and continued existence notwithstanding any change in them. No Member or Office-bearer acquires a right in its property or assets, or becomes liable for its obligations, solely by holding that status, without prejudice to any liability imposed by law.
- 2.2 The Company is based in Cape Town and pursues its public benefit work and professional participation throughout the Primary Area, including the West Coast, Somerset West, Strand, Gordon's Bay, Simon's Town and the other towns, rural areas and communities within the Western Cape, and its name shall not be construed as confining its activities to the City of Cape Town municipal boundary.
- 2.3 The Company may cooperate with persons and organisations elsewhere in furtherance of its objects, provided that, before making donations or providing services outside the Republic which require registration under section 12(1)(b) of the NPO Act, the Board must ensure compliance with that requirement and with the geographical and activity restrictions applicable to the relevant tax approval and funds. The Company shall not claim an exclusive territorial mandate, statutory regulatory authority or authority to represent a non-member without a proper mandate.
- 2.4 The Board shall determine the registered office and other operational addresses and attend to the required filings, and regional groups shall remain part of the Company unless a separate legal structure has been expressly approved and lawfully established.

3 Public benefit objects and powers

- 3.1 The Company's principal object is to carry on one or more of the PBAs described in clauses 3.2 to 3.6, on a non-profit basis and with altruistic or philanthropic intent, for the benefit of, or with wide accessibility to, the general public or qualifying sectors of it, principally in the Primary Area. Benefits shall not be confined to Members or other small and exclusive groups, and all professional participation and ancillary activities must serve this principal object.
- 3.2 To promote and advocate human rights and democracy, within paragraph 1(j) of Parts I and II of the Ninth Schedule, through accessible public legal information, community legal education, submissions on legislation and policy supported by relevant research and factual material, and work addressing practical barriers to

the exercise and enforcement of rights, including constitutional and administrative justice, equality, access to courts and public services, and the rights of vulnerable or underrepresented persons, provided that all research, publications and technology used in the programme must serve its public benefit purpose.

- 3.3 To organise and provide legal services for poor and needy persons, within paragraph 1(m) of Parts I and II of the Ninth Schedule, through appropriately authorised Legal Practitioners and lawful service arrangements, including advice, representation, document preparation, referrals and related support appropriate to the need and available resources. The programme must apply objective, published eligibility criteria addressing financial means and need, without making access dependent on membership, professional connections or payment of a subscription, and must comply with the authority and safeguards required under clause 3.12.
- 3.4 To promote community conflict resolution, reconciliation, mutual respect and tolerance between the peoples of South Africa, within paragraph 1(i) of Parts I and II of the Ninth Schedule, through suitable community mediation, dialogue, public education and related legal support, provided that ordinary commercial dispute resolution shall not be treated as a qualifying activity solely because it involves mediation or arbitration.
- 3.5 To provide structured training and related support to unemployed persons, including law graduates, to enable them to obtain employment, within paragraph 4(e) of Part I and paragraph 3(e) of Part II of the Ninth Schedule, applying published eligibility criteria addressing unemployment and the programme's employment purpose and making qualifying opportunities accessible irrespective of membership. General professional development for employed practitioners shall not be treated as qualifying under this object solely because it is educational.
- 3.6 To undertake or support programmes for conservation of the natural environment, including the marine environment, prevention of cruelty to and care of animals, and environmental awareness and education, within paragraphs 7(a) to (c) of Part I and 4(a) to (c) of Part II of the Ninth Schedule, provided that each programme must carry on the relevant qualifying activity and satisfy its statutory conditions. Commercial maritime work or an animal-law interest group shall not be represented as a PBA solely by reference to its title or area of interest.
- 3.7 Membership, professional collaboration, mentoring, ethical standards, practitioner resources, newsletters, events and responsible technology

initiatives may be used to organise and support the public benefit work, provided that they remain subordinate to it and do not become an independent principal purpose of promoting Members' economic interests, obtaining work or referrals for Members, or providing preferential commercial benefits. Access to public benefit programmes must be distinguished from membership administration and optional professional participation, consistently with the principal public benefit object.

- 3.8 The Company may maintain a website with public legal resources, a practitioner resource area, a newsletter and a membership database, publish relevant guidance and research, and convene events and cooperation initiatives, provided that the public benefit components remain accessible under objective criteria appropriate to the programme. A directory, paid event, publication or continuing professional development activity may be treated as a PBA, or as a basis for Section 18A Receipts, only to the extent that the applicable statutory and approval requirements are satisfied.
- 3.9 The Company may establish portfolios in financial services law, innovation and legal technology, corporate relationships and corporate social investment, animal rights and welfare, marine and maritime law, constitutional and administrative law, the law affecting older persons, healthcare law, conveyancing, notarial practice and other relevant areas, with each portfolio operating within the objects and having a defined public benefit or ancillary supporting function. No portfolio has separate authority to bind the Company, determine tax eligibility or promise a donor a deduction.
- 3.10 The Board must approve an annual programme and budget identifying each public benefit activity, intended beneficiaries, access criteria, delivery arrangements, responsible persons, funding restrictions and the means of recording work completed, and must review actual activities and expenditure at least annually to ensure that public benefit remains the Company's principal purpose. Programmes must be selected with due regard to available resources, and shall not be represented as operating or approved solely because this MOI authorises their establishment.
- 3.11 The Company may raise lawful subscriptions and other income, receive donations and grants, obtain goods and services, employ staff, acquire or lease property, enter into contracts and exercise powers reasonably incidental to its objects, provided that any trading or ancillary activity remains compatible with those objects and the applicable tax conditions. These powers remain subject to clauses [4](#), [13](#), [14](#) and [18](#) and shall not override a restriction on funds or a matter reserved to Members.

- 3.12 The Company shall not hold itself out as a legal practice, accredited law clinic, regulator, financial services provider or training accreditation body solely by reason of its incorporation, and may undertake an activity requiring authorisation only once the applicable legal requirements have been satisfied. Legal assistance must be provided by authorised persons under lawful arrangements governing mandates, supervision, confidentiality, conflicts, insurance and client funds, and unadmitted Members may assist only within their lawful competence and authority, with appropriate supervision, without undertaking reserved work on the strength of membership.
- 3.13 The Company may adopt reasoned, independent positions on law and public policy within its objects, provided that it remains independent of party control and does not use its resources directly or indirectly to support, advance or oppose any political party, or to fund an electoral candidate. Membership shall not be made conditional upon agreement with every policy position adopted by the Company.

4 Non profit character and protection of assets

- 4.1 The Company must apply all its funds, income and assets solely to the objects for which it is established, and shall not directly or indirectly distribute funds to any person otherwise than in the course of undertaking a PBA. No dividend, profit distribution or proprietary benefit may be conferred on a present or former incorporator, Member, director, person appointing a director or Related Person, and no person acquires a beneficial ownership interest in the Company's assets by holding office or membership.
- 4.2 Payments may be made only as permitted by Schedule 1 to the Act and consistently with the PBO requirements and clause [4.1](#), including reasonable payment for genuine goods or services, reimbursement of properly incurred expenses and amounts due under bona fide agreements or other legally binding obligations in carrying out the objects, provided that every payment is properly authorised and does not constitute a disguised distribution or private benefit.
- 4.3 Directors serve without remuneration for holding office or carrying out their ordinary Board duties, although reasonable, documented expenses may be reimbursed under a policy approved by the Board. Separate professional services rendered by a director or a connected supplier must be justified by a genuine need and provided on written terms at a fair price, with approval by unconflicted directors after compliance with section 75, and no person may approve their own payment.

- 4.4 Remuneration paid to an employee, Office-bearer, Member or other person shall not be excessive having regard to the service rendered and what is generally reasonable in the sector, and no activity may be intended directly or indirectly to promote the economic self-interest of a Fiduciary or employee except through reasonable remuneration lawfully permitted by this MOI. The Company shall not economically benefit any person inconsistently with its objects, nor shall membership confer any entitlement to paid work, referrals, procurement opportunities or preferential access to assets.
- 4.5 Loans, security and other financial assistance to directors and persons connected with them are prohibited except to the limited extent permitted by Schedule 1 item 5 of the Act and any other applicable provision, and all accountable expense advances must be reconciled promptly.
- 4.6 The Company shall not convert into or merge with a profit company, and any disposal to a profit company must comply with Schedule 1 item 2 of the Act, including the fair-value requirement where applicable. The Company shall not knowingly be a party to, or permit itself to be used in, a transaction, operation or scheme whose sole or main purpose is the reduction, postponement or avoidance of liability for a tax, duty or levy otherwise payable by any person under legislation administered by the Commissioner.

5 Membership classes and eligibility

- 5.1 The Company has two statutory classes of membership, namely Voting Members and Non-voting Members, and no professional category, regional description, honorary recognition or subscription concession shall create an additional class or alter the voting rights attached to either class.
- 5.2 Voting membership is available to a Legal Professional aged at least 18 who accepts the objects, this MOI and the Code, provides the required verification, and ordinarily resides, works, practises, undertakes legal training or studies within the Primary Area, or demonstrates another substantial and continuing professional connection with it, notwithstanding that the applicant's employer or principal office may be situated elsewhere.
- 5.3 An eligible LLB graduate may become a Voting Member on the same voting basis as other Voting Members without being admitted, employed, party to a training contract or in possession of an LPC registration number, while Candidate Legal Practitioners, including Pupils, qualify through the applicable eligibility route in clause [1.4](#) and may be recorded descriptively as Candidate and Pupil Members. Statutory good-standing, training-registration and

practising-certificate requirements apply where relevant to the status or activities claimed, and a descriptive category does not affect the Member's voting rights.

- 5.4 The Board may, by resolution and at its discretion, admit and administer Non-voting Members in the descriptive categories of Student Members, Supporting Members and Corporate Members, subject to published, objective eligibility criteria consistent with the objects and this MOI, provided that an individual applicant must be at least 18 years of age and a juristic person must act through an authorised adult representative. Admission requires an application, the Board's written approval in the case of a Corporate Member, and acceptance of this MOI, the Code and the applicable approved subscription terms; participation in an activity, payment of a sponsorship or subscription, or attendance at a meeting shall not, without admission, constitute membership.
- 5.4.1 **"Student Member"** means a Non-voting Member who does not yet qualify as a Legal Professional and is enrolled on an accredited programme leading to a South African LLB, or a foundational foreign law degree accepted for student membership under published, objective criteria, with enrolment verified proportionately and updated proof of enrolment provided when reasonably required.
- 5.4.2 **"Supporting Member"** means a Non-voting Member who is a paralegal or another individual who does not qualify for voting membership but demonstrates a relevant interest in, or capacity to support, the objects, or an organisation supporting those objects, without the description conferring a professional qualification or practising right.
- 5.4.3 **"Corporate Member"** means a Non-voting Member which is a law firm, incorporated legal practice, recognised legal services organisation, in-house legal department acting through its employing juristic person, or another juristic person whose activities are consistent with the Company's objects and whose application has been accepted by the Board. A Corporate Member must identify an authorised representative, disclose its ownership or controlling persons and any material conflict reasonably relevant to admission, and remain responsible for the conduct of persons participating on its behalf.
- 5.4.4 The Board must consider whether a proposed Corporate Member's activities, professional standing, proposed association and intended sponsorship are consistent with the Company's objects, independence, ethical standards and public benefit obligations, and must record its acceptance or refusal in writing. No application, payment or offer of sponsorship creates an entitlement to admission, and approval shall not be sold, withheld or withdrawn arbitrarily or on an unfairly discriminatory basis.

- 5.4.5 A Corporate Member in good standing may, subject to the Chairperson's reasonable arrangements and the protection of confidential business and personal information, attend open Members' meetings through one authorised representative and participate in events and consultations to the extent permitted by the Board. Attendance does not include an entitlement to receive confidential Board papers, attend closed sessions, demand inclusion of an agenda item, speak without the Chairperson's permission, vote, appoint a proxy, be counted for quorum purposes or appoint or nominate a director merely by reason of corporate membership.
- 5.4.6 The Company may, by a separate written permission approved by the Board, authorise a Corporate Member in good standing to display a specified CTLPA Corporate Member designation, membership emblem or other approved branding for a stated purpose, period and medium, subject to the published brand-use conditions and appropriate quality and reputation safeguards. The name, logo and other intellectual property of CTLPA remain its property, and no Corporate Member may suggest that CTLPA endorses, accredits or guarantees its professional services, acts as its regulator or assumes liability for its conduct. The Board may withdraw permission on reasonable written notice, or immediately where continued use creates a material risk, and shall afford a fair opportunity to make representations where practicable.
- 5.4.7 Corporate membership subscriptions, sponsorship payments and any agreed promotional benefits must be separately identified and accurately accounted for; the Board shall not describe a payment given in return for advertising, branding, access or another material benefit as an unconditional donation, or issue a section 18A receipt in respect of it unless independently permitted by the Income Tax Act and the Company's written SARS approval. Corporate participation shall remain ancillary to the Company's public benefit objects and shall not confer control over policy, grants, beneficiary selection or the use of restricted funds.
- 5.5 Sponsorship, an employee's membership or the payment of fees shall not confer voting or director appointment rights upon any sponsor, employer or Corporate Member. Non-voting Members may take part in Company activities and, with the Chairperson's permission, address a Members' meeting, but have no vote, right to appoint a proxy, entitlement to be counted towards a quorum or right to stand for election as a director by virtue of that membership.
- 5.6 The Board may recognise service by granting honorary or lifetime membership with the person's express consent, provided that the resolution identifies the existing voting or non-voting class and that the requirements for voting eligibility

remain applicable. No appointment, office, donation, attendance at an event or inclusion in a mailing list shall, of itself, confer membership.

- 5.7 The Board may establish, open, rename, administer or discontinue descriptive professional or participation categories within the two membership classes, having regard to the objects, the Company's capacity and published, objective criteria, but may not thereby amend eligibility for either statutory class, voting or director-election rights, obligations imposed by this MOI or a subscription approved under clause [6.5](#). A change of descriptive category does not terminate existing membership, and any transfer, restriction or termination remains subject to this MOI and the Code.

6 Admission subscriptions and membership records

- 6.1 Applications must be submitted in the published written or electronic form and must contain the applicant's identity and contact details, the class and any descriptive category of membership sought, qualifications and relevant professional, candidate or student status, connection with the Primary Area, and such declarations as are reasonably necessary to assess eligibility and conduct, with all verification undertaken proportionately and in compliance with applicable data protection law.
- 6.2 Before acceptance, the applicant must receive or have ready access to this MOI, the Code and the applicable subscription terms and must expressly accept them, with any electronic acceptance identifying the applicant, the versions accepted and the date; preselected consent or presumed acceptance shall not suffice.
- 6.3 The Board or an authorised membership committee must determine applications according to published, objective criteria, applied consistently and without unfair discrimination, and should communicate its decision within 30 Business Days after receipt of a complete application. An applicant must be afforded a reasonable opportunity to respond before an adverse decision is taken on disputed information, and any refusal must be accompanied by written reasons sufficient to permit review without unlawful disclosure of third-party information.
- 6.4 An applicant may request reconsideration within 20 Business Days of refusal, whereupon unconflicted persons who did not make the original decision must consider the representations and give a reasoned decision, and the Board must appoint an independent reviewer if it cannot provide an impartial review.

- Membership commences only upon written acceptance, entry in the register and satisfaction or waiver of any initial payment requirement.
- 6.5 Membership continues until it terminates under clause 7, and Members shall pay the joining fee and annual subscription applicable to their class or descriptive category in accordance with a schedule approved from time to time by an Ordinary Resolution of Voting Members. The schedule must state the amount or an objectively determinable formula, the subscription period, due dates and any differentiated rates or authorised concessions, and must be made available before an applicant joins and at least 30 days before a first charge or increase takes effect for an existing Member.
- 6.5.1 The first schedule must be approved before public membership applications are accepted, without affecting the statutory position of consenting incorporators under clause 19.3, and no charge becomes payable merely because it has been proposed or published without the required approval. An approved schedule continues to apply until lawfully replaced, and any change operates prospectively.
- 6.6 The Board may apply concessions authorised by the approved subscription schedule and published instalment arrangements and hardship waivers on a consistent basis, without altering voting rights or imposing an unapproved levy or retrospective increase. A Member may resign before a future charge takes effect without being released from earned or accrued charges, which remain payable subject to any agreed refund terms and applicable law.
- 6.7 Each Voting Member has one vote of equal value, together with the right to nominate eligible directors, receive notices, participate in meetings and exercise the information rights conferred by the Act and this MOI, with the exercise of voting rights subject to any lawful suspension and the applicable record date; no additional votes arise from fees, professional seniority, office or donations.
- 6.8 Members must provide accurate information, update material changes promptly, pay approved subscriptions when due and comply with the Code, provided that ordinary membership does not impose directors' work commitments or a compulsory service-hours quota.
- 6.9 The Company must maintain the statutory membership register and other required records, and the Board must establish procedures for access, correction, security and retention which comply with the Act and applicable data protection law. Any public or searchable directory must be maintained separately from the statutory register, with inclusion subject to the Member's separate informed choice and an accurate statement of qualifications,

admission and practising status, and no directory data may be sold or supplied to sponsors for marketing without a separate lawful basis.

7 Suspension and termination of membership

- 7.1 Membership terminates upon written resignation, death, dissolution of an organisational Member or termination in accordance with the procedure in this clause and the Code, and a resignation takes effect upon receipt or on a later date specified by the Member, without extinguishing accrued debts, confidentiality obligations or liability for earlier conduct.
- 7.2 Adverse membership action may be taken on grounds of a material eligibility misrepresentation, loss of an essential membership qualification, persistent subscription default, a material breach of this MOI or the Code, or serious conduct bearing a demonstrable connection to the Member's honesty, professional role, the Company's work or the safety and rights of others in its activities, provided that disagreement, lawful criticism or an unproved allegation alone shall not constitute grounds for such action. A material breach of the conditions for use of CTLPA branding or a materially misleading claim of CTLPA endorsement may also justify the suspension or withdrawal of the relevant branding permission, without automatically terminating membership and subject to the applicable fair procedure.
- 7.3 Before suspending membership benefits for unpaid subscriptions, the Company must provide a written account and allow at least 20 Business Days for payment, a dispute concerning the amount or a request for an arrangement; termination requires a further written warning and at least 20 Business Days for a response, and any genuine dispute or pending hardship application must be considered before action is taken.
- 7.4 A change in qualification or professional status must first be considered for correction of the record or transfer to an appropriate class with the Member's consent, provided that a graduate or other description may not be used to conceal or circumvent a statutory restriction. Any proposed exclusion must follow a fair process in which an allegation is distinguished from an established finding.
- 7.5 The Code must provide for written particulars, access to the material relied upon subject to lawful protection, adequate time to respond, an impartial decision maker, a fair opportunity to present testimony, documents and other relevant material and to be assisted or represented at the Member's own cost, a reasoned decision, proportionate sanctions and an independent appeal, with the

Company bearing the burden of establishing a breach on a balance of probabilities.

- 7.6 Before appointment of a disciplinary panel, unconflicted directors may impose an interim restriction only where specific facts establish a material and reasonably imminent risk which cannot adequately be addressed by a lesser measure, and the panel, once appointed, must determine whether the restriction continues, changes or ends. The restriction must remain precautionary, be supported by reasons and be reviewed promptly after representations and at least every 30 days, without being used to manipulate an election or suppress legitimate criticism, and the affected Member may seek an independent appeal-panel review without awaiting the final inquiry.
- 7.7 The permitted final sanctions are advice or a warning, a reprimand, proportionate corrective action or training, a restriction on specified Company activities, suspension of membership for a stated period not exceeding 12 months, or termination, and the Code must provide for review of continuing restrictions and an independent appeal within 20 Business Days, without creating fines, compulsory donations or compensation awards.
- 7.8 Disciplinary measures are confined to CTLPA membership and activities and shall not suspend admission, remove a person from the LPC roll, prohibit lawful practice or themselves remove a director from statutory office, with director removal and disqualification to be dealt with separately under the Act and with access to courts, regulators and lawful reporting channels preserved.
- 7.9 A resigned former Member may remain subject to an inquiry into conduct during membership where reasonably necessary to determine re-admission, protect persons affected or make a lawful regulatory report, but such an inquiry shall not confer continuing authority over that person's general professional practice.

8 Meetings and decisions of Members

- 8.1 The Company must hold its first AGM within six months after the end of the first financial year and no later than 18 months after incorporation, and thereafter must hold an AGM in each calendar year, within six months after financial year end and no more than 15 months after the preceding AGM. The Board may convene other meetings when required, and Members holding at least 10% of the voting rights may require a meeting in accordance with section 61.
- 8.2 The AGM must receive the Board's report, annual financial statements and the applicable independent report; consider the financial position, subscriptions and programme of work; elect directors as required by clause 9; and deal with other

properly notified business, and the Board's report must include a proportionate account of attendance and work undertaken.

- 8.3 At least 15 Business Days' notice must be delivered for a Members' meeting, stating the date, time, place or electronic access arrangements, record date, purpose, proposed resolutions, required voting thresholds, proxy rights and identification requirements for participation. An AGM notice must include the financial statements to be presented or a summary with directions for obtaining the complete statements, and the nomination information required under clause 9.4 must accompany the notice of any meeting to which those requirements apply; a meeting may be convened on shorter notice only upon satisfaction of the consents and other conditions permitted by the Act.
- 8.4 Meetings may be held electronically or in a hybrid form through arrangements which permit all participants to communicate concurrently and participate effectively, and reasonable measures must be taken to facilitate participation from outlying areas and by persons with access needs. A physical meeting must be held within the Primary Area unless all Voting Members entitled to participate consent otherwise.
- 8.4.1 The Chairperson shall preside at Members' meetings, with the deputy chairperson presiding if the Chairperson is absent, unwilling or unable to preside at the meeting or on a particular matter, and, if neither can preside, those entitled to vote at the meeting must elect an unconflicted Voting Member to do so. The person presiding must act impartially and shall have no casting vote at a Members' meeting.
- 8.5 A quorum consists of persons present in person or by proxy who are entitled to exercise at least 25% of the voting rights exercisable on the matter, provided that, where there are more than two Voting Members, at least three such Members must be present in person or by proxy. The adjournment and deemed-quorum provisions of section 64 apply, and the original notice and any subsequent notice must explain the consequences of an adjournment for lack of quorum.
- 8.6 Record dates shall be determined by the Board in accordance with section 59, with the default statutory record date applying where none has been determined, and neither a record date nor the admission process may be used to favour a candidate or suppress eligible participation.
- 8.7 A Voting Member may appoint an individual, whether or not a Member, as proxy in writing in accordance with section 58, and the instrument may be delivered at any time before the proxy exercises the relevant right. No earlier administrative

deadline shall invalidate an otherwise lawful proxy, and the statutory rights of revocation and substitution remain applicable.

- 8.8 An Ordinary Resolution at a meeting requires more than 50% of the votes exercised on it, and a Special Resolution requires at least 75%, with abstentions excluded from the votes exercised and without a casting vote for the Chairperson. Elections and contested resolutions must be determined by a counted vote, using a confidential ballot where reasonably requested and practicable.
- 8.9 A written resolution may be circulated to all Voting Members entitled to vote in accordance with section 60, allowing a response period of 20 Business Days from submission, and the results must be delivered within 10 Business Days after adoption of the resolution or, if it is not adopted, after the response period ends. A written Ordinary Resolution requires affirmative support exceeding 50% of all eligible voting rights, and a written Special Resolution requires affirmative support of at least 75% of all eligible voting rights, with silence or a failure to respond not constituting consent.
- 8.10 Written circulation shall not replace business required to be dealt with at the AGM, director removal proceedings or any other matter requiring a meeting under the Act or this MOI, and the notices, proxies, votes and minutes must be retained and made available as required by the Act.

9 Composition election and rotation of the Board

- 9.1 The Board consists of not fewer than three and not more than nine natural persons, with the number of seats fixed within those limits by an Ordinary Resolution of Voting Members and initially equal to the number of eligible incorporators who accept office. At least three directors must accept fiduciary responsibility for the Company and be persons who are not Connected Persons in relation to one another for income tax purposes, and no individual may directly or indirectly control the Company's decision making. The upper limit of nine does not prevent the appointment of additional directors to the extent required to meet a mandatory statutory minimum, in which event Members must promptly determine the resulting composition and amend this MOI where necessary.
- 9.2 A majority of the Board must comprise Legal Practitioners whose admission and enrolment remain in force and who are not suspended from practice, whether practising or non-practising, with the remaining seats open to qualifying Voting Members, including LLB graduates, candidate attorneys, Pupils and qualifying

unadmitted in-house counsel. The election process must preserve that majority without treating the other professional categories as a separate voting class.

- 9.3 A nominee must be a Voting Member, satisfy section 69 and the additional applicable requirements in clause 9.12, give written consent to serve under section 66(7), disclose relevant interests and confirm adequate time and permission to accept office, with the employer, firm or Bar, where applicable, confirming that permission and any conditions in writing. No appointment may be accepted subject to a condition inconsistent with independent judgment, and voting membership is required at nomination and election or appointment, although its subsequent suspension or termination does not, of itself, create an additional ground of director ineligibility or disqualification under section 69. Statutory ineligibility, disqualification and proposed removal must be addressed in accordance with sections 69 to 71.
- 9.4 The Board must invite nominations at least 35 Business Days before the meeting, and a nomination supported by one other Voting Member, together with a short motivation and written consent, must be received at least 20 Business Days before the meeting. Relevant candidate information must be circulated with the meeting notice at least 15 Business Days before the meeting, and further nominations may be accepted at the meeting only where insufficient eligible candidates have been nominated and Members have a fair opportunity to assess them.
- 9.5 Members must elect directors individually to the notified vacancies, first filling the seats required under clause 9.2 from eligible Legal Practitioners and then the remaining seats, with every Voting Member entitled to vote in every election and each voting right exercisable in favour of one candidate or against all candidates. Each successful candidate, whether opposed or unopposed, must receive more than 50% of the votes exercised in the relevant election, with abstentions excluded, and the election arrangements must preserve the requirement in clause 9.1 concerning persons who are not Connected Persons, with all relevant relationships disclosed.
- 9.5.1 Where more than two candidates stand and none obtains the required majority, a runoff must be held between the two highest candidates, with any tie affecting entry into the runoff resolved by a further ballot among the tied candidates. If an unopposed candidate is rejected, an election between two candidates or a runoff produces no affirmative majority, or a further ballot leaves an unresolved tie, the vacancy must remain unfilled pending a fresh election, and no election by slate or automatic appointment by a sponsor is permitted.

- 9.6 An elected term is for a period of up to three years, subject to annual retirement by rotation, with at least one third of the member-elected directors, rounded upwards where necessary, retiring at each AGM and their seats submitted for election. Directors whose terms expire must retire first, with any additional retirements determined by longest service since election and, where service is equal, by agreement or a transparent drawing of lots, and retirement takes effect at the close of the meeting.
- 9.7 All first directors must retire at the first AGM and may stand for election, and the first elected Board must be allocated, as nearly equally as practicable, to initial terms ending at the next, second and third AGMs. Members must determine the allocation at election or, where required, by a transparent drawing of lots, subject to the annual one-third retirement requirement where rounding or a change in Board size requires earlier retirement.
- 9.8 A director may serve no more than two consecutive elected terms and no more than six consecutive years, followed by a break of at least one year before re-election; an initial or temporary term of 12 months or less does not count as an elected term, although all service counts towards the six-year limit. No person is entitled to automatic renewal, a lifetime directorship or a permanent founder's seat.
- 9.9 The Board may appoint an eligible person temporarily to fill a casual vacancy or an unfilled seat within the number fixed by Members, provided that the appointee satisfies the same consent, permission and composition requirements and retires at the next AGM, when the seat must be submitted for election. A material loss of skills or regional representation should be considered when filling a vacancy, and a person rejected by Members at the most recent election may not be appointed temporarily, but may take office only after being elected by Members at a subsequent election.
- 9.10 If the Board falls below three directors, loses the required practitioner majority or no longer includes at least three persons who are not Connected Persons in relation to one another, the remaining directors must promptly restore compliance or convene a Members' meeting, and, pending restoration, their authority is confined to filling vacancies, convening that meeting and taking steps reasonably necessary to protect the Company or meet a legal obligation. If no director remains, any Voting Member may convene an election meeting in accordance with the notice and participation requirements of this MOI, and a vacancy shall not, of itself, invalidate otherwise lawful acts.
- 9.11 A director may resign by written notice in accordance with the Act, and any removal must comply with section 71, including the requirements concerning

notice, grounds and the opportunity to make representations where applicable. Absence from meetings or a membership sanction shall not automatically remove a director, and the statutory provisions concerning disqualification, vacancies, reporting and recourse to a court or tribunal remain applicable.

- 9.12 The Company shall not appoint or permit a person to act as a Fiduciary who is disqualified within the scope of section 30(3)(i) of the Income Tax Act under section 6 of the Trust Property Control Act, 57 of 1988, section 25A of the NPO Act or section 69 of the Act, and eligibility must be verified before appointment and reviewed upon disclosure of a material change. The person must promptly disclose any such change and cease acting where required by law, and the Board must attend to the applicable lawful notification, removal and vacancy-filling procedures, without dispensing with Companies Act requirements or effecting an automatic removal for which the law does not provide.

10 Duties independence and active service

- 10.1 Directors must act in good faith and for a proper purpose in the Company's best interests, exercise independent judgment and the required care, skill and diligence, preserve confidentiality and comply with sections 75 to 77 of the Act, and shall act in the Company's interests rather than as delegates bound by an employer, firm, Bar, sponsor or constituency.
- 10.2 Directors must prepare for meetings, participate actively, assume responsibility for agreed work, report on progress and assist with the governance and long-term development of the Company, and each director must agree with the Board a reasonable contribution plan which may include responsibility for a portfolio, committee, regional initiative or other defined work suited to that director's capacity.
- 10.3 The Board must meet at least once every two months, with directors expected to attend the AGM and perform agreed work between meetings, and additional meetings may be convened as required during establishment or for urgent matters. Persistent unexplained absence or failure to contribute must be addressed at an early stage through discussion and an opportunity to remedy the position, followed, where appropriate, by lawful removal proceedings.
- 10.4 Each director must deliver a signed written declaration of interests before appointment, review and confirm that declaration at least annually and promptly disclose any change, including every actual, potential or reasonably perceived conflict affecting the discharge of that director's duties, with the declarations and changes retained in a register maintained for the Board. A general declaration

does not relieve a director of the obligation to identify the interest relevant to a particular matter before participating in its consideration, and the director must comply with clause 11.5 whenever section 75 applies.

- 10.4.1 Interests acquired or discovered after approval of a matter must be disclosed promptly, together with their nature, extent and the material circumstances, and conflicts falling outside section 75 must be independently assessed and managed through appropriate restrictions or recusal. A conflicted director may not determine or approve the arrangements for managing that director's own conflict, and any approval remains subject to the Company's objects, restrictions on private benefit and applicable law.
- 10.5 Directors should accept a term only where they reasonably expect to sustain their involvement and, where circumstances require departure, should give reasonable notice and complete an orderly handover insofar as practicable, without being prevented from resigning, required to act contrary to a legal duty or compelled to continue serving where doing so has become inappropriate.
- 10.6 The Board must arrange induction, maintain a record of agreed actions, review participation and governance annually and provide for succession, without requiring directors to make personal donations, provide guarantees or fund Company shortfalls as a condition of office.

11 Board proceedings

- 11.1 Any two directors may require a Board meeting, for which at least five Business Days' notice, together with the agenda and material papers, must ordinarily be delivered. An urgent meeting may be called on shorter reasonable notice, provided that the urgency is recorded and the requirements of the Act concerning notice and waiver are observed.
- 11.2 Board meetings and participation may take place electronically where each participant can communicate effectively with the others, and a quorum is a majority of serving directors, but never fewer than two, subject to section 75 and any higher statutory requirement applicable to the matter. Each director has one ordinary vote and, except where a higher threshold applies, a resolution is adopted by a majority of the votes cast, including a casting vote lawfully exercised under clause 11.3 and excluding abstentions.
- 11.3 Where the ordinary votes for and against a proposal are equal at a quorate Board meeting, the Chairperson presiding over that vote may exercise one additional casting vote, even if the Chairperson has already exercised an ordinary vote, provided that at least four directors have actually cast ordinary

- votes for or against the proposal and the Chairperson is entitled to participate and vote on it; section 73(5)(c) to (e) of the Act is expressly varied to that extent.
- 11.4 The casting vote applies only to Board decisions taken at a meeting and may not be used for the election or removal of a director or office bearer, for a written resolution, to satisfy a higher voting threshold, or to overcome a lack of quorum, a conflict restriction or an approval reserved to Members. Its exercise must comply with clause 9.1 and may not confer general control or a veto over the Company; where no casting vote is available or exercised, the tied proposal is not adopted.
- 11.5 Where section 75 applies because a director has a personal financial interest in a matter, or knows that a Related Person has such an interest, the director must disclose the interest and its general nature before the matter is considered, disclose all material information relating to the matter known to the director and provide observations or pertinent insights only if requested by the other directors. After making the permitted disclosures, the director must withdraw from the meeting and must not participate in deliberation or voting on that matter, with the same restrictions applied appropriately to a written decision.
- 11.5.1 A director absent under section 75(5) remains counted for the statutory purpose of constituting the meeting but is excluded when determining whether the resolution has sufficient support, and may execute a document relating to the matter only where specifically requested or directed by the Board. Where a lawful decision satisfying the applicable approval requirements cannot be obtained, the matter must not proceed unless a procedure permitted by the Act has been followed, without dispensing with any separate requirement of this MOI.
- 11.6 A proposed written Board resolution under section 74 must be sent to every director with adequate information and a reasonable response period, and requires the written support of a majority of all directors entitled to vote on the matter. A material contested matter must be discussed at a meeting if any two unconflicted directors reasonably request it, and the statutory requirements concerning conflicts of interest apply equally to written decisions. Each eligible director has one vote, without a casting vote, and a tied or insufficiently supported proposal may be referred to a Board meeting.
- 11.7 Minutes must record attendance, declarations and material information disclosed, the independent assessment of conflicts, withdrawals and returns, the persons entitled to participate, the voting result and every resolution adopted, together with dissent where requested. Resolutions must be dated and sequentially numbered, written resolutions and relevant declarations must form

part of the Company's records, and an approval under clause [13.2.1](#) must identify the supporting unconflicted directors and the particulars required by clause [13.2.3](#). The Board retains responsibility for oversight of delegated matters and, where a casting vote is exercised, the minutes must identify the ordinary voting result, eligibility for that vote and its effect.

12 Office bearers committees and regional work

- 12.1 The Board must elect a Chairperson, deputy chairperson and treasurer from its members for renewable one-year periods within their terms as directors, and may appoint an administrative secretary who need not be a director, provided that appointment as an administrative secretary does not in itself constitute appointment as a statutory company secretary. Where the Chairperson cannot preside at a Board meeting or on a particular matter, the deputy chairperson or another unconflicted director elected by the directors present must preside.
- 12.2 The Board may establish committees, regional groups and portfolios with written terms of reference, a responsible convener, reporting arrangements, spending limits and a review date, whose authority is confined to that expressly delegated by the Board and remains subject to clauses [13.2](#) to [13.2.6](#). No such committee, group or portfolio may open a separate bank account, enter into a contract, issue a public statement or make a fundraising commitment without Board authority.
- 12.3 Persons who are not directors may assist with committees and projects, but may not vote on a Board committee exercising delegated Board authority under section 72. A membership adjudication or appeal panel acts under the specific authority conferred by clauses [7](#) and [16](#) and does not constitute such a Board committee.
- 12.4 The Board must promote practical participation across the Primary Area and take account of different forms of legal work, career stages and underrepresented groups in nominations and appointments, without conferring a separate vote or right to appoint a director on any locality, branch or sponsor.
- 12.5 The Company must establish a social and ethics committee or audit committee, or appoint an auditor or statutory company secretary, whenever required by applicable law, except to the extent of a valid exemption granted by a competent authority. A voluntary ethics or finance committee may satisfy a corresponding statutory requirement only where its composition and functions meet that requirement.

- 12.6 Each Office-bearer, including an executive officeholder or director, must satisfy section 25A of the NPO Act whenever it applies to that office, together with all other applicable eligibility requirements, and no disqualified person may act in that office notwithstanding any election, consent or arrangement for managing a conflict of interest. The Office-bearer must promptly disclose any relevant disqualification or change in eligibility and cease acting immediately where required by law, and the Company must arrange the required notifications and lawful replacement.

13 Financial management and accountability

- 13.1 The financial year ends on the last day of February, with the first financial year ending on the last day of February first occurring after incorporation, as recorded in the Notice of Incorporation and subject to section 27. Any subsequent change must be lawfully made and filed, notified to Members and implemented consistently with the financial reporting and AGM timetable.
- 13.2 The Board must approve an annual budget, monitor income and expenditure and maintain proper accounting records, with financial transactions conducted through one or more Banking Accounts and all receipts and payments recorded and reconciled. Company funds may not be received into or held in a Member's or Office-bearer's personal account, and payments require approval under a written mandate by at least two authorised, unconflicted persons, including at least one director, none of whom may be the recipient, with each payment supported by the applicable authority and accounting records.
- 13.2.1 No director, Office-bearer, committee, employee, volunteer or other person acting on behalf of the Company may incur expenditure, place an order, enter into, renew or vary an agreement, or otherwise commit the Company to expenditure or a financial obligation exceeding R5,000.00, inclusive of VAT and other applicable charges, without a prior resolution of the Board adopted under clause 11. The resolution must receive the affirmative support of at least two distinct, unconflicted directors entitled to vote, in addition to satisfying the applicable majority, and a casting vote shall not count as the support of an additional director for this purpose.
- 13.2.2 The amount must be determined by reference to the whole obligation, including deposits, instalments, compulsory charges and the aggregate value of related transactions forming part of substantially the same procurement, project or arrangement, irrespective of the number of orders, invoices, suppliers or payment dates. Recurring commitments must be assessed over their full agreed term, while a commitment of indefinite duration, uncertain value or potentially

unlimited liability requires prior Board approval, and no transaction may be divided, deferred or otherwise structured to avoid the approval requirement.

- 13.2.3 The approval must identify the purpose, supplier or recipient, material terms, maximum aggregate amount, duration, available funding and person authorised to implement the decision, with any applicable funding restriction and disclosed interest recorded. A general budget allocation, delegated spending authority or subsequent approval of payment does not constitute the required approval unless the Board resolution expressly identifies and approves the particular commitment on those terms, and a further prior resolution is required before any increase beyond the approved maximum or material extension of the approved obligation.
- 13.2.4 Expenditure at or below R5,000.00 remains subject to an express written delegation, the approved budget, the payment controls in clause 13.2 and all applicable restrictions on funds, and the threshold does not itself authorise any person to spend or bind the Company. The Board may impose lower delegated limits but may not delegate the approval reserved to it under clause 13.2.1, while urgent proposals may be approved through a lawful electronic meeting or written resolution before the commitment is made.
- 13.2.5 Every person involved in requesting, recommending, procuring, authorising or paying for goods or services must disclose any actual, potential or reasonably perceived conflict before participating and comply with the restrictions independently imposed, with directors and other persons to whom section 75 applies also complying with that section and clauses 10.4 and 11.5. Approval of expenditure shall not permit the misuse of Restricted Funds, an unauthorised private benefit or a transaction otherwise prohibited by this MOI or the Act.
- 13.2.6 Any commitment made outside the applicable authority must be reported promptly to the Board for lawful remedial action, and these internal controls do not exclude liability imposed by law or prejudice third-party rights protected by section 20 of the Act.
- 13.3 Restricted Funds must be separately identified in the accounting records and applied only for their permitted purposes, with records distinguishing Section 18A Donations, other donations and grants, subscriptions, commercial sponsorship and other receipts and recording their application. Common costs must be allocated on a reasonable, documented basis, sponsorship and procurement must preserve independent decisions and fair treatment, and material related-party dealings must be disclosed appropriately and lawfully.

- 13.4 Annual financial statements must be prepared and approved within six months after financial year end and undergo the audit or independent review required by the Act and regulations, with an independent review obtained annually even where not otherwise required unless an audit is performed. The requirement for annual independent review does not constitute a voluntary election under section 34(2) to comply with the whole of Chapter 3.
- 13.5 The Board must annually determine the applicable public interest score and the requirements for financial assurance, a social and ethics committee and other governance arrangements, and must ensure compliance with applicable annual return, beneficial ownership and other statutory filing and record obligations, appointing persons responsible for their completion.
- 13.6 Payment of subscriptions or donations does not entitle a Member to the Company's funds or to a refund on dissolution, without prejudice to the rights of bona fide creditors, and no director or Member may hold client or trust money through the Company's ordinary account.
- 13.7 The Company must not accept a donation revocable at the donor's instance except for a material failure to conform to its designated purposes and conditions, including a misrepresentation of its deductibility under section 18A. A donor may not impose a condition enabling the donor or a Connected Person in relation to the donor to derive a direct or indirect benefit from the application of the donation, subject only to the exception in section 30(3)(b)(v) for a donor that is an approved PBO or a qualifying institution, board or body exempt under section 10(1)(cA)(i) whose sole or principal object is carrying on a PBA, and provided that no donation may be used inconsistently with the Company's objects.
- 13.8 Where the Company provides funds to an association of persons contemplated in paragraph 10(iii) of Part I of the Ninth Schedule, it must take reasonable steps to ensure their use for the specified PBA. Every grant requires an identified lawful recipient, a written purpose and funding terms, proportionate due diligence, reporting and remedial arrangements, and any transfer of Section 18A Donations to another body must comply with clause [14.7](#), irrespective of the charitable nature of that body's work.
- 13.9 The Board must preserve accounting records, vouchers, subscription records, financial statements and assurance reports for at least seven years, or for a longer period required by law, a valid funding condition or an unresolved investigation, dispute or proceeding, including permanent retention where required. The retention, accessibility and secure disposal of records must comply with applicable company, tax, NPO and data protection law.

14 PBO approval and section 18A donations

- 14.1 The Company is constituted to seek PBO Approval under section 30 and the corresponding exemption under section 10(1)(cN) of the Income Tax Act, for which the Board must prepare an application supported by the adopted MOI, genuine qualifying programmes, governance arrangements and reliable financial information. No entitlement to tax exemption arises from incorporation, adoption of this MOI or submission of the application, and the Company may claim exemption only within the effective date, scope and conditions of written approval.
- 14.2 The Board must also prepare an application for Section 18A Approval for the Company's direct carrying on of eligible Part II PBAs in the Republic under section 18A(1)(a)(i), and may apply Section 18A Donations only to programmes falling within that provision and the Commissioner's approval. Membership services, professional development, activities identified by portfolio and general non-profit expenditure may be represented as qualifying only where their nature and conduct satisfy those requirements.
- 14.3 The Company may issue a Section 18A Receipt only under a valid Section 18A Approval and for a bona fide donation actually paid or transferred to it within the approval's scope and effective date, with every receipt containing the information required by section 18A(2) and applicable public notices. Subscription fees, consideration for goods, events or services, commercial sponsorship and volunteered time or services must not be receipted as donations, and any separate qualifying donation must be assessed and recorded separately.
- 14.4 All Section 18A Donations and assets representing them must be separately traceable and used solely in carrying on the eligible PBAs in the Republic to which the approval applies, consistently with section 18A(2A), and the Company must retain proof of receipt, any property valuation required by law, and records establishing beneficiary and programme eligibility, expenditure and the permitted application of funds. Restrictions remain binding notwithstanding a change of programme or administrative designation, and may not be released by such a change.
- 14.5 Where section 18A(2B) applies, the Company must obtain and retain the certificate required by that provision, containing information prescribed by the Commissioner by public notice and confirming the reasonable satisfaction of a Registered Tax Practitioner about the application of receipted donations as contemplated in section 18A(2A). The Board must arrange timely access to the necessary records, and may rely on an ordinary financial audit, independent

review or Accounting Officer's report in place of the certificate only where the applicable requirements of section 18A(2B) are also met.

- 14.6 The Board must ensure compliance with the conditions of PBO Approval and Section 18A Approval, prescribed information requirements, income tax and third-party returns, including IT3(d) reporting and required nil declarations, and applicable payment and record obligations. It must assess whether income from trading or business activities is exempt under section 10(1)(cN), account for non-exempt income and confine representations concerning tax exemption to the taxes and circumstances covered by the applicable approval and law.
- 14.7 The Company must seek Section 18A Approval for carrying on qualifying activities and may appoint a contractual service provider only under lawful arrangements consistent with its approved programme and continuing accountability. The transfer of receipted donations to an independent beneficiary organisation requires a separate lawful basis under section 18A and the relevant approval, and neither a general power to make grants nor approval to carry on qualifying activities authorises the Company to act as a general funding conduit.
- 14.8 A copy of every amendment to this MOI must be submitted to the Commissioner as soon as it has been effected, together with any additional notice required by an approval or applicable law, and the Board must disclose material changes and respond to lawful requests for information. Any amendment must preserve the prescribed public benefit, fiduciary, non-distribution and asset restrictions applicable to an approval for as long as the Company retains that approval.
- 14.9 The Board must review tax compliance, principal purpose and Restricted Funds at least annually and address material failures promptly, and no director may certify compliance with a condition known to be unfulfilled. Where an approval is suspended, withdrawn, changed or ceases to apply, the Board must discontinue any representation or receipting no longer authorised, comply with the resulting statutory directions and asset or reporting obligations, and communicate accurately with affected funders where required.
- 14.10 The Board may approach the LPC or another competent authority for recognition of qualifying activities towards community service, pro bono or professional development requirements, provided that participation may be advertised as carrying credit only after the applicable requirements and approval have been established. Such recognition remains separate from tax approval and does not entitle the Company to treat volunteered services as a Section 18A Donation.

15 NPO registration and reporting

- 15.1 The Board may apply for NPO Registration and must arrange registration whenever required by the NPO Act, with all representations concerning the Company's status confined to the registration and number actually granted. While the Company is registered, its registered status and number must appear on its documents as required by section 16(3) of the NPO Act.
- 15.2 The duties in clauses [15.3](#) to [15.7](#) apply while the Company is registered or required to be registered under the NPO Act, without limiting duties independently imposed by this MOI or other law, and the Company must comply with that Act and its applicable regulations. The Board must appoint a responsible person and maintain a compliance calendar for accounting, narrative reporting, information, Office-bearer and other duties, ensuring that each applicable obligation is discharged in addition to Companies Act and tax obligations, irrespective of returns submitted to another authority.
- 15.3 Annual financial statements must be drawn up within six months after financial year end under clause [13.4](#) and, where the NPO Act applies, the Company must arrange for an Accounting Officer's written report addressing the matters in section 17(2) of that Act to be compiled and submitted to it within two months after the statements have been drawn up. An audit or independent review may satisfy that reporting obligation only where the applicable requirements for the Accounting Officer's report have also been met.
- 15.4 Within nine months after each financial year end, the Company must submit to the NPO Director the prescribed narrative report, financial statements and Accounting Officer's report required by section 18 of the NPO Act, accurately describing the work undertaken, finances and other prescribed matters and distinguishing proposed programmes from completed activities.
- 15.5 The Company must provide the NPO Director with the required Office-bearer particulars within one month after each appointment or election, including any reappointment or re-election that leaves the Office-bearers unchanged. It must maintain a physical address in the Republic for service and notify the NPO Director of any change during the month before the new service address takes effect.
- 15.6 The Board must maintain accurate and current Office-bearer records and the prescribed information concerning the Company's control structure, governance, management, administration and operations, and must provide that information to the NPO Director and make it available in the manner required by the NPO Act and regulations. Statutory access must be administered consistently with

applicable access-to-information and personal-information legislation, and the recording or disclosure of control information confers no property rights in the Company.

- 15.7 The Board must comply with lawful notices, inspections and requests from the NPO Directorate and remedy deficiencies within the applicable periods, preserve the records required under clause 13.9, ensure continuing Office-bearer eligibility under clause 12.6, and make the amendment and dissolution submissions required under clauses 17.1 and 18.5. The Company may not seek deregistration for the purpose of avoiding mandatory registration or an existing reporting duty.

16 Code of ethical conduct and Company rules

- 16.1 Acceptance of and compliance with the Code is a condition of membership, and the Code must prescribe practical, proportionate standards relevant to Members' professional roles and CTLPA activities that supplement binding law and professional rules. It may address emerging practice issues and include requirements specific to a Member's role, provided that those requirements relate to the Member's status or activities.
- 16.2 The first Code must be expressly adopted by an Ordinary Resolution of the first Voting Members before public membership applications are accepted, and subsequent substantive amendments require an Ordinary Resolution of Voting Members following circulation of the proposed text and reasons and a period of at least 20 Business Days for comment. The Board must address material comments and communicate the adopted text and its commencement date to Members.
- 16.3 Substantive amendments ordinarily take effect at least 30 days after notice, although a shorter period may be approved where necessary to comply with law or address a serious immediate risk, provided that reasons are given and fair transitional measures are adopted. New misconduct provisions operate prospectively, and Members must have an opportunity to resign before new contractual obligations take effect, without release from obligations already accrued.
- 16.4 The Board may issue non-binding guidance and correct an obvious error that does not change a right or obligation, provided that guidance, a website term or a correction may not be used to create a new sanction, alter voting rights or impose a material membership obligation.

- 16.5 To the extent that a provision of the Code or a policy constitutes a Company rule under section 15(3) to (5), the Board must comply with the Act's requirements concerning its making, publication, filing, effectiveness and ratification, in addition to the requirements of this MOI. The Code remains a separate document and is not incorporated as a textual schedule to this MOI, and no resolution under this clause amends the MOI by implication.
- 16.6 Current versions of the Code and Company rules must be readily available to Members and applicants, together with their adoption and commencement dates and a record of changes, and the Code may give effect to, but may not diminish, the membership protections and appeal rights in clause 7.

17 Amendments reserved matters and disputes

- 17.1 Amendments to this MOI must follow the procedure and obtain the approval required under sections 16 and 17 of the Act, including a Special Resolution where required, proper notice and filing, and no provision of this MOI is declared unamendable or an additional restrictive condition under section 15(2)(b) or (c). Where the NPO Act applies, the Company must promptly send the NPO Director the resolution adopting a change to this MOI or the Company's name and a certificate signed by an authorised Office-bearer confirming compliance with this MOI and applicable law, accompanied, in the case of a name change and where required, by the current original NPO registration certificate. These submissions must be made in addition to the required Companies Act filings and notice to the Commissioner under clause 14.8.
- 17.2 Member approval is required for an amendment, voluntary winding-up, disposal of all or the greater part of the Company's assets or undertaking, amalgamation or merger, and every other matter reserved by the Act or this MOI, with all applicable Special Resolution, fundamental transaction, solvency and court procedures followed notwithstanding any general power conferred on the Board.
- 17.3 The Company may seek to resolve an internal dispute through discussion or consensual mediation where appropriate, provided that neither mediation nor an internal complaint may be imposed as a precondition to urgent relief, statutory remedies, court proceedings or reporting to a regulator, and no obligation of confidentiality may obstruct a protected disclosure or lawful investigation.
- 17.4 The Board may obtain insurance, grant indemnities or advance defence costs only as permitted by section 78 and other applicable law, and no provision of this MOI releases any person from liability that the law does not permit to be excluded or indemnified.

18 Dissolution

- 18.1 After satisfaction of the Company's liabilities on winding-up or dissolution, no part of its net value may pass to a present or former Member, incorporator, director, person appointing a director or Office-bearer by reason of that status, or be distributed for private benefit.
- 18.2 The entire remaining net value must be transferred to one or more PBOs approved under section 30 of the Income Tax Act, each being an NPO with objects similar to the Company's principal object and having a legal form permitted by Schedule 1 item 1(4) of the Act, on terms requiring each recipient to use the transferred assets solely to carry on one or more PBAs. This restriction remains binding while an application is pending and notwithstanding that the Company no longer holds a tax approval.
- 18.3 Assets representing Section 18A Donations must additionally pass only to a recipient with the necessary Section 18A Approval, on binding terms preserving their application to eligible Part II PBAs in the Republic and satisfying section 18A and the applicable approvals, together with every other valid restriction on those funds. Where more than one statutory or funding restriction applies, the transfer and subsequent application of the assets must satisfy all such restrictions.
- 18.4 Voting Members must select the recipients by Special Resolution at or immediately before dissolution, failing which a determination must be obtained from a competent court in accordance with the Act and the restrictions in this clause. The Board or lawful liquidator must preserve the relevant records, discharge the applicable liabilities and carry out the required notices and filings.
- 18.5 Where the NPO Act applies, the Company must give the NPO Director the notice, certified supporting documents and final narrative report, financial statements and Accounting Officer's report required by section 23 within one month after completion of the winding-up or dissolution process or the relevant court order, as applicable, and must also comply with the required tax notifications and any directions governing the transfer or treatment of assets.

19 Establishment and transition

- 19.1 The Cape Town Legal Professionals Association was formed in 2019 as a voluntary association, and the Company will, upon incorporation, be a separate legal person whose establishment does not of itself convert that association, transfer its property or contracts, assume its liabilities or confer Company membership on its existing members.

- 19.2 Any transfer must be separately authorised under the association's existing constitution and applicable law, recorded in an appropriate agreement and supported by the necessary consents, and existing members must expressly accept Company membership and the Code, subject to the statutory position of consenting incorporators.
- 19.3 Under Schedule 1 item 3, incorporators are the first directors and first Members, with each consenting incorporator who satisfies the qualifications for voting membership becoming a first Voting Member on incorporation and, subject to statutory eligibility and consent and the composition requirements in clauses 9.1 and 9.2, a first director. At least three eligible natural persons must execute the adoption schedule and required documents, and appointment takes effect only upon incorporation and satisfaction of the applicable statutory requirements.
- 19.4 The first Board must verify the incorporation record, adopt banking and financial controls, approve the membership application process, arrange adoption of the Code and approval of the first subscription schedule before public membership applications are accepted, appoint officers, establish the required registers and plan the first AGM. It must also approve an initial public benefit programme, budget and beneficiary criteria, prepare the tax applications contemplated in clause 14, consider NPO Registration under clause 15, establish Restricted Funds accounting and the reporting calendar, and identify and deal with agreements made before incorporation in accordance with applicable law, including section 21 where relevant.

Adoption by incorporators

We, the undersigned, adopt this Memorandum for the proposed Company, consent to become its first Voting Members and first directors upon incorporation, and confirm our eligibility to hold office; the prescribed notice of incorporation, together with the required consents and identity information, must be completed and filed in accordance with the Act.

Incorporator 1

Full name: Natalie Macdonald Spence

Identity or passport number: _____

Signature: _____ Date: _____

Incorporator 2

Full name: _____

Identity or passport number: _____

Signature: _____ Date: _____

Incorporator 3

Full name: _____

Identity or passport number: _____

Signature: _____ Date: _____

Any additional incorporator must sign a further page containing the same declaration and particulars, which must be retained with the signed incorporation record identifying the adopted version of this Memorandum and its total number of pages.