

DRAFT CONSTITUTION FOR FRANSCHHOEK HERITAGE AND RATEPAYERS ASSOCIATION

PREAMBLE

Recognising that the unique character of the Franschhoek Valley is derived from its natural and cultural landscapes, heritage resources and from residents, workers and visitors, the focus of the Franschhoek Heritage & Ratepayers Association is to facilitate communication with other interest groups and all levels of government in maintaining that character and the welfare of its members and, in so far as it has the capacity to do so, the residents of the Franschhoek Valley.

As a civic partner we shall collaborate to advocate for current and future developments that reflect the spirit of this statement, and for municipal services that operate in an economic, effective, efficient, transparent, inclusive, and accountable manner.

1. ESTABLISHMENT AND LEGAL STATUS

- 1.1. The Association is a voluntary, non-political, non-profit organisation operating within the framework of this Constitution and relevant and applicable legislation to promote the best interests of its members and the residents of the Geographic Area.
- 1.2. The Association is a body corporate with its own legal identity, capable of owning movable and immovable property, acquiring rights and obligations in its own name, and of suing and being sued.
- 1.3. The Franschhoek Heritage & Ratepayers Association ("the Association" or "FHRPA") may, as soon as reasonably possible after the adoption of this draft Constitution by its members, be registered as a non-profit organisation in terms of the Non-Profit Organisations Act, 1997 (Act No. 71 of 1997).
- 1.4. The Association may, as soon as reasonably possible after the adoption of this draft Constitution, be registered with the Department of Social Development as a non-profit organisation and as a Public Benefit Organisation with the South African Revenue Service.

2. DEFINITIONS AND INTERPRETATION

In this Constitution the following words shall have the following meanings assigned to them, unless otherwise determined by the context:

- 2.1. "AGM" means the Annual General Meeting of the Association.
- 2.2. "EXCO" means the Executive Committee of the Association.
- 2.3. "Day" means a calendar day unless otherwise stated.
- 2.4. "Financial Year" means the period from the first day of March to the last day of February of the following year.
- 2.5. "Geographic Area" means Wards 1 and 2 of the Stellenbosch Municipality, and the rural areas of Ward 3 of the Stellenbosch Municipality as indicated in Appendix A.



- 2.6. "Authorities" means the Stellenbosch Municipality (local), Cape Winelands District Municipality (District), Western Cape Government (Provincial), National Government, Heritage Western Cape and South African Heritage Resources Agency.
- 2.7. "Member" means a natural person, company, close corporation, body corporate or trust admitted to membership in terms of clause 4 and eligible to vote in terms of clause 10.4.
- 2.8. "SGM" means a Special General Meeting of the Association.
- 2.9. "Virtual Meeting" means a meeting conducted wholly or partly through electronic communication that allows all participants to communicate concurrently with each other.
- 2.10. "Year" means a calendar year unless otherwise stated.
- 2.11. "Proxy" means a person holding authority to act for a member.

3. OBJECTS AND ACTIVITIES

3.1. Main Objects

The main objects of the Association are to:

- 3.1.1. Promote the interests and involvement of ratepayers in matters concerning the authorities;
- 3.1.2. Protect and preserve the traditional character, built, natural and intangible heritage, and beauty of Franschhoek and its environs;
- 3.1.3. Serve as a representative voice for ratepayers to relevant authorities;
- 3.1.4. Advocate for municipal services that are delivered in accordance with constitutional principles of good governance;
- 3.1.5. Promote sustainable economic development and responsible land use within the Geographic Area;
- 3.1.6. Foster community engagement and civic participation;
- 3.1.7. Collaborate with authorities, civic groups, and other stakeholders on matters of common interest and compliance with legislation.

3.2. Nature of Activities

- 3.2.1. All activities shall be conducted in a non-profit manner with altruistic intent for the benefit of the members.
- 3.2.2. No activity shall directly or indirectly promote the economic self-interest of any office bearer of the Association, except for reasonable remuneration for services rendered.
- 3.2.3. The Association shall not use its resources to support, advance, or oppose any political party.

4. MEMBERSHIP

4.1. Eligibility

Membership is open to:

- 4.1.1. Natural persons over 18 years who are the registered owners of property in the Geographic Area;

- 4.1.2. Companies, close corporations, trusts and body corporates that are the registered owners of property in the Geographic Area;

4.2. Application Process

- 4.2.1. Applications must be submitted on the prescribed form with proof of property ownership.
- 4.2.2. Corporate bodies and trusts must nominate a natural person as their representative.
- 4.2.3. Any member may nominate and authorise another person in writing to act on their behalf in all dealings with the Association. Such authorisation must:
- 4.2.3.1. Be submitted to the Company Secretary on a form prescribed by the EXCO.
 - 4.2.3.2. Specify the scope and duration of the authorisation.
 - 4.2.3.3. Remain valid until revoked in writing by the member or until the member's membership terminates.
 - 4.2.3.4. Not exceed a period of 12 months after which it must be renewed.
 - 4.2.3.5. The Association shall be entitled to rely on such authorisation until written notice of revocation is received.

4.3. Rights and Obligations

- 4.3.1. Members have the right to:
- Attend and participate in general meetings;
 - Vote on matters requiring member approval (if subscriptions are current);
 - Receive copies of annual reports and financial statements;
 - Propose agenda items for general meetings;
 - Stand for election to the EXCO (if eligible).
- 4.3.2. Members must:
- Pay annual subscriptions by the due date;
 - Comply with this Constitution;
 - Conduct themselves in a manner consistent with the Association's objects.

4.4. Termination of Membership

- 4.4.1. Membership terminates upon:
- Resignation in writing;
 - Death (for natural persons) or dissolution (for entities);
 - Non-payment of subscriptions within 3 (three) months of the due date.
 - Termination of property ownership.
 - Any material breach of the Constitution.
- 4.4.2. Former members have no claim to Association assets.

5. MEMBERSHIP FEES

- 5.1. Annual fees are determined by the EXCO and approved by members at an AGM.
- 5.2. Fees are due by 31 March each year.
- 5.3. Members joining after 31 March pay the full annual subscription.
- 5.4. If a Member terminates for any reason during the financial year, no fee rebate will be given.
- 5.5. Only members with current subscriptions may vote at meetings.

6. GOVERNANCE STRUCTURE

6.1. Executive Committee Composition

- 6.1.1. The Association shall be governed by an EXCO of not less than 5 and not more than 7 members, as elected by the Members.
- 6.1.2. The EXCO shall contain the following statutory roles:
 - Chairperson
 - Vice-chairperson
 - Treasurer
 - Company Secretary
- 6.1.3. The statutory roles are named positions, elected by the members and other roles are assigned by the EXCO at the first meeting of the EXCO which must be held within one week of the AGM.

6.2. Election and Terms

- 6.2.1. All EXCO members must resign their positions annually at each AGM and may stand for re-election to serve a maximum of three consecutive years in the same position.
- 6.2.2. If fewer than 50% of EXCO members stand for re-election, current EXCO members may stand for re-election to serve up to two additional one-year terms, not exceeding five consecutive years total, to ensure continuity.
- 6.2.3. If no candidate stands for a particular position, the current incumbent may stand for re-election for up to two additional one-year terms, not exceeding five consecutive years total in that position.
- 6.2.4. Newly elected members take office immediately following the conclusion of the AGM.

6.3. Nominations and Elections

- 6.3.1. Nominations must be submitted in writing, signed by proposer and seconder (both members), at least 14 days before the AGM.
- 6.3.2. Nominees must consent in writing and confirm their availability to serve.
- 6.3.3. Elections are by secret ballot if there are more nominees than vacancies.
- 6.3.4. The EXCO shall allocate portfolios at the first meeting after the AGM.

6.4. Qualifications

6.4.1. All EXCO members must be FHRPA members or nominees in terms of clauses 4.1 and 4.2 of this Constitution.

6.4.2. The following persons are disqualified from EXCO membership:

- Municipal councillors or employees and their immediate family members;
- Persons who have been declared insolvent or placed under curatorship;
- Persons convicted of offences involving theft, fraud or dishonesty;
- Persons who are not paid-up Members.

6.5. Casual Vacancies

6.5.1. EXCO positions become vacant upon:

- Resignation in writing;
- Death or incapacity;
- Disqualification;
- Absence from three consecutive meetings without apology;
- Removal by two-thirds majority of the EXCO.

6.5.2. If a position becomes vacant, the EXCO may appoint new incumbents to fill the role until the next AGM.

6.5.3. If the Chairperson's position becomes vacant, and in the event that the Vice Chairperson is not available to fill the vacancy, the EXCO may appoint a new Chairperson from the existing EXCO members to fill the role until the next AGM.

7. EXCO POWERS AND DUTIES

7.1. General Powers

The EXCO has full power to:

- 7.1.1. Manage the Association's affairs and implement its objects;
- 7.1.2. Enter into contracts and agreements;
- 7.1.3. Employ staff and engage service providers;
- 7.1.4. Recruit volunteers;
- 7.1.5. Acquire, hold, and dispose of property;
- 7.1.6. Invest funds in accordance with prudent investment principles;
- 7.1.7. Establish committees and working groups comprised of ratepayers, residents and any other specialist skill required to achieve the objects of the association;
- 7.1.8. Develop and amend EXCO portfolios according to the needs;
- 7.1.9. Represent the Association in external forums;
- 7.1.10. Make rules and policies for the Association's operations, subject to approval by the members at an AGM or SGM.

7.2. Financial Management

- 7.2.1. The EXCO shall ensure proper financial management and maintain adequate accounting records.
- 7.2.2. Annual budgets must be approved by the EXCO and presented to the AGM.
- 7.2.3. Deviations from the approved budget requires EXCO approval.
- 7.2.4. The EXCO shall establish a reserve fund for contingencies.

7.3. Reporting Obligations

- 7.3.1. The EXCO shall report to members on its activities and the Association's financial position at least twice during the Financial Year.
- 7.3.2. The EXCO shall ensure compliance with statutory reporting requirements.

8. EXCO MEETINGS

8.1. Regular Meetings

- 8.1.1. The EXCO shall meet at least 10 times per year.
- 8.1.2. The Chairperson shall convene meetings with reasonable notice.
- 8.1.3. Special meetings may be called by the Chairperson or upon written request of three EXCO members.
- 8.1.4. The approved meeting minutes will be made available to members on the Association's website.

8.2. Procedures

- 8.2.1. A majority of EXCO members constitutes a quorum.
- 8.2.2. Meetings may be conducted physically, virtually, or in hybrid format.
- 8.2.3. EXCO members should attend 70% of meetings.
- 8.2.4. Decisions are made by majority vote, with the Chairperson having a casting vote.

8.3. Conflict of Interest

- 8.3.1. If an EXCO member has any actual, potential or perceived conflict of interest or duty on a matter relating to the Association including a position taken by the Association or a Committee of which they are a member they must disclose it in writing to the Chairperson and it must be recorded in the minutes of the next meeting.
- 8.3.2. Such member may:-
 - 8.3.2.1. Be requested by the Chairperson or a majority of the other members of the relevant Committee to state their position in the matter and reply to relevant questions;
 - 8.3.2.2. Be asked to withdraw while the matter is discussed;
 - 8.3.2.3. Not vote or use their influence on the matter; and
 - 8.3.2.4. Not be counted in the quorum for the meeting when there is voting on that matter.
- 8.3.3. Material conflicts requiring ongoing recusal should result in resignation from the EXCO.

9. STATUTORY OFFICE BEARERS

These are statutory positions and should not be confused with portfolio/Committee roles.

9.1. Chairperson

- 9.1.1. Chairs EXCO meetings and general meetings;
- 9.1.2. Represents the Association publicly;
- 9.1.3. Ensures EXCO decisions are implemented;
- 9.1.4. Signs official documents for compliance purposes;
- 9.1.5. May exercise emergency powers between meetings, subject to EXCO ratification.

9.2. Vice Chairperson

The Vice Chairperson takes over the Chairperson's roles and responsibilities when the latter is not available.

9.3. Treasurer

- 9.3.1. Oversees financial management and maintains financial records;
- 9.3.2. Presents quarterly financial reports to the EXCO;
- 9.3.3. Prepares annual financial statements;
- 9.3.4. Ensures compliance with financial legislation;
- 9.3.5. Advises the EXCO on financial matters.

9.4. Company Secretary

- 9.4.1. Ensures statutory compliance and filing requirements.

10. GENERAL MEETINGS

10.1. Annual General Meeting

10.1.1. The AGM shall be held no later than 31 August each year.

10.1.2. The AGM shall:

- Receive the Chairperson's report;
- Consider and adopt financial statements;
- Elect EXCO members;
- Appoint auditors if required;
- Transact other business on the agenda.

10.2. Special General Meetings

10.2.1. SGMs may be convened by:

- EXCO resolution;
- Written request from 15 members stating the business to be transacted.

10.2.2. Business at SGMs is limited to matters specified in the notice.

10.3. Meeting Procedures

10.3.1. At least 21 days' notice must be given for an AGM and 14 days for an SGM.

10.3.2. Notice must include date, time, venue (or virtual meeting details), and agenda, and must include any resolutions or documentation that pertain to any of the subject matter on the agenda.

10.3.3. Notice may be given by email, or any other digital means.

10.3.4. Meetings may be conducted physically or virtually.

10.3.5. The approved meeting minutes will be made available to members on the Association's website within 4 weeks of a meeting and adopted at the next meeting by the membership.

10.4. Quorum and Voting

10.4.1. 25% of its members present in person or 25 members present in person whichever is less.

10.4.2. If no quorum exists after 30 minutes, the meeting is postponed to a date within 7 days.

10.4.3. At postponed meetings, those present constitute a quorum.

10.4.4. Decisions are made by majority vote of members present.

10.4.5. Voting is by show of hands unless a ballot is requested.

10.4.6. Only eligible members with current subscriptions may vote.

10.5. Voting Proxies

10.5.1. Members must appoint voting proxies in writing.

10.5.2. Only Members of the Association may be appointed as a voting proxy.

10.5.3. Voting proxy forms must be lodged with the Company Secretary at least 48 hours before the meeting.

11. FINANCIAL PROVISIONS

11.1. Financial Year

The financial year runs from the first day of March to the last day of February of each ensuing year.

11.2. Banking and Investments

11.2.1. Funds shall be deposited in a registered bank account, opened in the name of the Association.

11.2.2. At least two signatories are required for withdrawals.

11.2.3. Investments must be in low-risk, readily accessible instruments.

11.3. Financial Statements

11.3.1. Annual financial statements must be prepared and presented to the AGM.

11.3.2. If not accepted by the AGM, statements must be independently reviewed or audited.

11.3.3. Financial statements must be filed with regulatory authorities as required.

11.4. Asset Management

11.4.1. All assets belong to the Association.

11.4.2. Asset registers must be maintained.

11.4.3. Disposal of assets above R5,000 requires EXCO approval.

12. EXTERNAL REPRESENTATION AND ADVOCACY

12.1. The Association may affiliate with other ratepayer associations, civic organisations and tourism bodies.

12.2. Representatives from these organisations may be invited to EXCO meetings from time to time.

12.3. Representatives to external bodies are appointed by the EXCO.

13. AMENDMENTS TO THE CONSTITUTION

13.1. Proposal Process

13.1.1. Constitutional amendments may be proposed by:

- The EXCO;
- Any member with support of two other members.

13.1.2. Proposals must be submitted in writing to the Company Secretary at least 30 days before the relevant meeting.

13.2. Approval Process

13.2.1. Amendments require approval by two-thirds majority of members present at an AGM or SGM.

13.2.2. Notice of proposed amendments must be included in the meeting notice.

13.2.3. Approved amendments take effect immediately unless otherwise specified.

13.3. Regulatory Compliance

13.3.1. Amendments must comply with applicable legislation.

13.3.2. Copies of amendments must be filed with regulatory authorities as required.

14. LIABILITY AND INDEMNIFICATION

14.1. Limited Liability

14.1.1. Members' liability is limited to outstanding subscriptions.

14.1.2. EXCO members are not personally liable for Association debts or obligations.

14.2. Indemnification

14.2.1. The Association indemnifies EXCO members against claims arising from their official duties, except for acts of gross negligence or bad faith.

14.2.2. The Association may obtain appropriate insurance coverage.

15. DISSOLUTION

15.1. Dissolution Process

15.1.1. The Association may be dissolved by:

- Special resolution passed by 75% of members present at an SGM;
- Operation of law;
- Regulatory intervention.

15.1.2. Upon dissolution, the EXCO shall:

- Settle all debts and obligations;
- Distribute remaining assets to similar organisations with tax-exempt status;
- File required dissolution documents.

15.2. Asset Distribution

15.2.1. Assets may not be distributed to members.

15.2.2. Remaining assets must be transferred to organisations with similar objects and tax-exempt status.

16. MISCELLANEOUS PROVISIONS

16.1. Interpretation

16.1.1. This Constitution is governed by South African law.

16.1.2. Disputes regarding interpretation shall be resolved by the EXCO, subject to member appeal.

16.2. Severability

If any provision is invalid, the remainder of the Constitution remains in force.

16.3. Records and Information

16.3.1. The Association shall maintain proper records and make them available to members as required by law or in terms of this Constitution.

16.3.2. Personal information shall be protected in accordance with privacy legislation.

16.4. Communications

16.4.1. Official communications shall be in English.

16.4.2. The Association will use electronic communications for routine matters.

16.4.3. The EXCO may decide which means of communication is most appropriate.



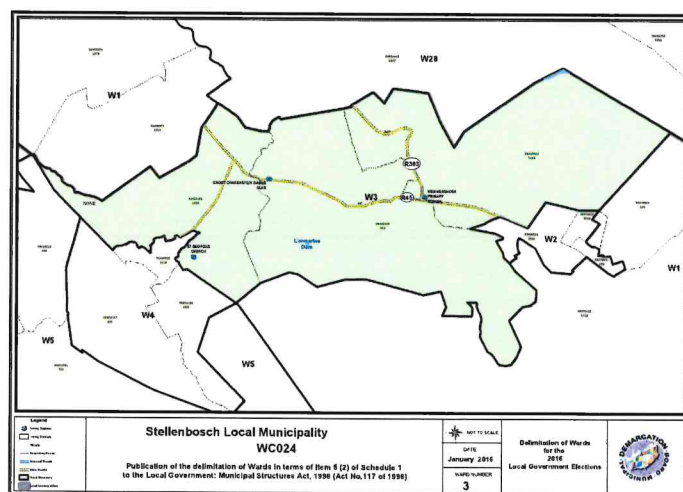
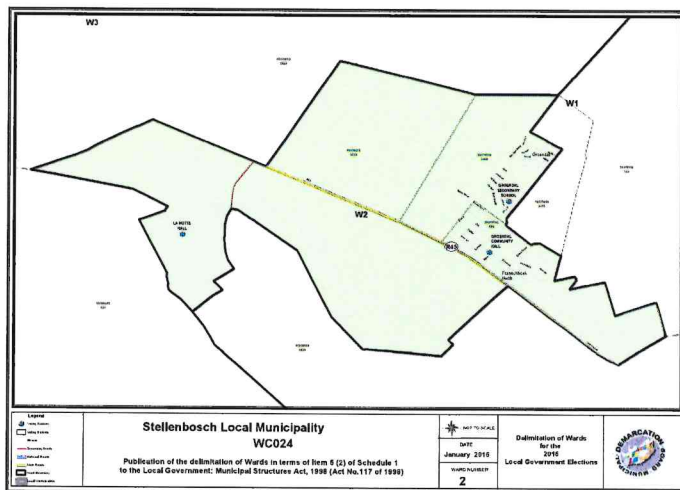
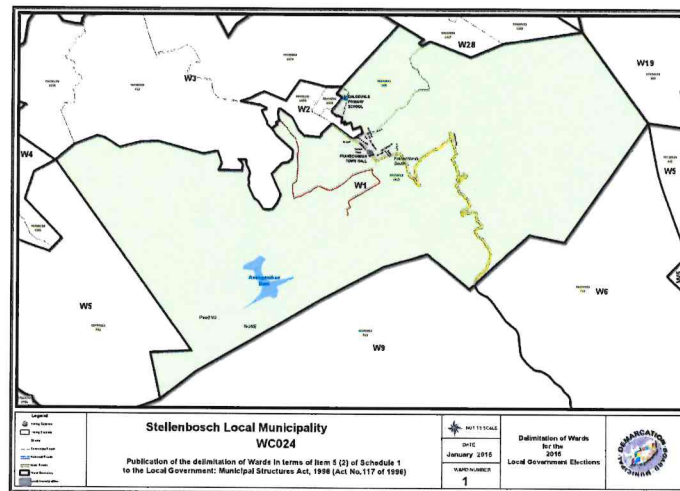
16.5. Emergency Provisions

16.5.1. During emergencies preventing normal meetings, the EXCO may make urgent decisions subject to member ratification.

16.5.2. Virtual meetings may be held as necessary.

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APPENDIX A: GEOGRAPHIC AREA



SCHEDULE A: PUBLIC BENEFIT ORGANISATION PROVISIONS

Should the Association be approved as a Public Benefit Organisation, the following additional provisions shall apply:

- A.1. The Association's activities must be carried on in a non-profit manner with altruistic intent.
 - A.2. No funds may be distributed to members except in pursuit of public benefit activities.
 - A.3. Resources may not be used to support political parties.
 - A.4. Upon dissolution, assets must be distributed to qualifying organisations as required by the Income Tax Act.
 - A.5. The Association must comply with all PBO reporting requirements.
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ADOPTION

This Constitution was adopted by the Franschhoek Heritage & Ratepayers Association on

November, 2025.

CHAIRPERSON:



COMPANY SECRETARY:



DATE:
