

MEMORANDUM OF INCORPORATION

**REPUBLIC OF SOUTH AFRICA
COMPANIES ACT, 2008**

DREAMCATCHER SOUTH AFRICA (NPC)

NON-PROFIT COMPANY

INCORPORATED FOR A COMMUNAL OR GROUP INTEREST BENEFIT OR A PUBLIC BENEFIT

**IN TERMS OF THE NINTH SCHEDULE OF THE INCOME TAX ACT, ACT 58 OF 1962 AS AMENDED
(PUBLIC BENEFIT ACTIVITIES)**

SECTION 10 SCHEDULE 1 COMPANY

DIRECTORS AND MEMBERS WITH VOTING RIGHTS

INTERPRETATION

In this Memorandum, unless the context requires otherwise:

section or sections refers to a section or sections of the Companies Act, Act 71 of 2008, as amended;

Regulation or Regulations refers to a Regulation or Regulations of the Companies Regulations, 2011 in terms of section 223 and Item 14 of Schedule 5 of the Companies Act, Act 71 of 2008, as amended;

words importing any one gender shall include the other two genders;

the singular shall include the plural and vice versa;

any word which is defined in the Act shall bear that defined meaning in this Memorandum;

the headings have been inserted for convenience only and shall not be used for or assist or affect their interpretation; and

each of the following words and expressions shall have the meaning stated opposite it and cognate expressions shall have a corresponding meaning, namely:

means the Companies Act, Act 71 of 2008, as amended or re-enacted from time to time, and includes all Schedules to the Act (Companies Regulation Item 2(h) 2011);

a person elected or appointed to serve, as the occasion requires, as a member of the Board of the Company in substitution for a particular elected or appointed Director of that Company (section 1 of Act 71/2008);

Annual Financial Statements, as contemplated in section 30(2)(b)(ii)(bb) (section 1 of Act 71/2008); means the Board of Directors of the Company from time to time;

Board R means a Resolution by the Board of Directors where each Director has 1 (one) vote on a matter before the Board and a majority of the votes cast on the Resolution is sufficient to approve it (section 73(5)(c)(d));

means a member of the Board as contemplated in section 66 or an alternate Director, and includes any person occupying the position of a Director or alternate Director, by whatever name designated. Director includes a Prescribed Officer or a person who is a Member of a Committee of a Board of the Company or of the Audit Committee of the Company, if applicable, irrespective of whether or not the person is Board (section 1 of Act 71/2008);

a foreign Company that is carrying on business, or non-profit activities, as the case may be, within the Republic of South Africa, subject to section 23(2) (section 1 of Act 71/2008);

with respect to any particular C statements, means the standards applicable to that Company, as prescribed in terms of section 29(4) and (5) (section 1 of Act 71/2008);

s includes: Annual Financial Statements and provisional Annual Financial Statements; interim or preliminary reports; group and consolidated financial statements in the case of a group of Companies; and financial information in a circular, prospectus or

Securities, or the Commission, Panel or other regulatory authority, may reasonably be expected to rely on (section 1 of Act 71/2008);

means the end of the accounting period covering 12 (twelve) consecutive months over which the Company determines earnings and profits. The financial year serves as a period of reference for the Company and does not necessarily correspond to the calendar year; means the Income Tax Act, Act 58 of 1962, as amended;

means that the Annual Financial Statements are prepared:

- (a) by an independent accounting professional;
- (b) on the basis of financial records provided by the Company; and
- (c) in accordance with any relevant financial reporting standards (Companies Regulation 26(1)(e)(i) to (iii) 2011);

Independent reviewer means a person referred to in Companies Regulation 29(4) and who has been appointed to perform an independent review under this Regulation (Companies Regulation 29(1)(a) 2011);

Member when used in reference to a Non-Profit Company, means a person who holds membership in and specified rights in respect of that Non-Profit Company as contemplated in Schedule 1 of the Act;

- means a Company

(a) incorporated for a public benefit or other object as required by Item 1(1) of Schedule 1; and

(b) the income and property of which are not distributable to its Incorporators, Directors, Members, Prescribed Officers or persons related to any of them except to the extent permitted by Item 1(3) of Schedule 1;

means a Resolution adopted with the support of more than 50% (fifty percent) of the Voting rights exercised on the Resolution, or a higher percentage as contemplated in section 65(8):

(a) at a Meeting; or

(b) by Members acting other than at a Meeting, as contemplated in section 60 (section 1 of Act 71/2008 as amended by section 1(1)(u) of Act 3/2011);

means a person who, within the Company, performs any function that has been designated by the Minister in terms of purposes of the Act if that person exercises general executive control over and management of the whole, or a significant portion, of the business and activities of the Company; or regularly participates to a material degree in the exercise of general executive control over and management of the whole, or a significant portion, of the business and activities of the Company (section 1 of Act 71/2008 as amended by section 1(1)(x) of Act 3/2011);

Pub means a public benefit activity listed in Part I of the Ninth Schedule of the Income Tax Act;

means a Public Benefit Organisation as defined in section 30(1) of the Income Tax Act;

is not defined in the Act but means the minimum number of Directors of the Company, who are entitled to vote, that must be present to make a Board Meeting valid;

means the Republic of South Africa;

has the meaning attributed thereto in section 4; being the test the Company satisfies if at a particular time, considering all reasonably foreseeable circumstances at that time:

(a) equal or exceed its liabilities, as fairly valued and

(b) it appears that the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 (twelve) months after the date on which the test is considered or 12 (twelve) months following the distribution.(section 1 of Act 71/2008);

Special Resolution means:

(a) in the case of the Company, a Resolution adopted with the support of at least 75% (seventy five percent) of the Voting rights exercised on the Resolution in terms of section 65(8) or a different percentage as contemplated in section 65(10):

(i) at a Meeting or

(ii) by Members acting other than at a Meeting, as contemplated in Section 60; or

(b) in the case of any other juristic person, a decision by the owner or owners of that person, or by another authorised person, that requires the highest level of support in order to be adopted, in terms of the relevant law under which that juristic person was incorporated (section 1 of Act 71/2008 as amended by section 1(1)(cc) of Act 3/2011);

Voting with respect to any matter to be decided by the Company, means the rights of any Member of the Non-Profit Company to vote in connection with that matter (section 1 of Act 71/2008).

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MEMORANDUM OF INCORPORATION OF A NON-PROFIT COMPANY (NPC)
REPUBLIC OF SOUTH AFRICA
COMPANIES ACT, ACT NO 71 OF 2008

Dreamcatcher South Africa(NPC) which is a Non-Profit Company. This Memorandum of Incorporation, has the prescribed minimum number of at least 3 (three) Directors in terms of section 66(2)(b) and where the Incorporators may be its first Directors, who are not connected persons in relation to each other, to accept the fiduciary responsibility of the Company and no single person shall have the ability or authority, either directly or indirectly, to control the decision-making powers relating to the Company as connected persons.

Item 3 of Schedule 1 of the Act, and Section 30(3)(a)(i) of the Income Tax Act

The Number of Directors is reflected in Schedule One at the end of this Memorandum of Incorporation.

Adoption of the Memorandum of Incorporation

This Memorandum of Incorporation was adopted on 01/03/2019 by the Incorporators and/or first Directors of the Company, in accordance with section 13(1) of the Act, as evidenced by the following signatures made by each of them, or on their behalf, and the Board shall submit to the Commissioner of the South African Revenue Services, a copy of this Memorandum of Incorporation under which the Company has been established, and the Company shall comply with such reporting requirements as may be determined by the said Commissioner from time to time.

Default Memorandum of Incorporation not to apply

The standard form Memorandum of Incorporation for a Non-Profit Company referred to in Regulation 15(1)(a) shall not apply to the Company. This Memorandum of Incorporation is in a form unique to the Company as contemplated in section 13(1)(a)(ii).

Registered Office for which the Company is established

The Registered Office of the Company shall be situated at:

The Old Rectory
St Augustine's Church Grounds
Melkhoutfontein
Stilbaai
6674

Objects of the Company

This Memorandum of Incorporation of the Company sets out at least 1 (one) object of the Company and each object is either a public benefit object or activities as defined in section 30(1) of the Income Tax Act (Act 58 of 1962 as amended) or an object relating to 1 (one) or more cultural or social activities, or communal or group interests, including any sector thereof, in terms of Item 1(1)(a) of Schedule 1 of the Companies Act (Act 71 of 2008 as amended).

All such activities are carried on in a non-profit manner and with an altruistic or philanthropic interest and no such activity shall be intended to directly or indirectly promote the economic self-interest of any fiduciary or employee of Dreamcatcher South Africa (NPC), otherwise than by way of reasonable remuneration payable to that fiduciary or employee in terms of Article: Incorporation and Nature of the Company and Article: Board, Directors and Prescribed Officers of this Memorandum of Incorporation. *Section 30(3)(b)(i)(ii) of the Income Tax Act*

The primary objective of the Company on its incorporation is to:

work in an inclusive way (with special focus on women, youth and vulnerable people) to improve quality of life in communities and to address recurring poverty. The company strives to attain its objective through the following activities: 1. Social and economic development 2. Job creation and enterprise creation 3. Skills development and knowledge transfer 4. Responsible destination development 5. Environmental management and awareness 6. Health and wellbeing 7. Affirmation of culture and heritage.

ARTICLE 1 INCORPORATION AND NATURE OF THE COMPANY

1.1 Incorporation

- (1) [This clause is mandatory. The remainder of the mandatory clauses throughout the document do not have any comments.] Dreamcatcher South Africa (NPC) is incorporated as a Non-Profit Company, in terms of Schedule 1 and section 10 of the Companies Act, Act 71 of 2008 and section 122 of the Companies Amendment Act, Act 3 of 2011.
- (2) Dreamcatcher South Africa (NPC) is incorporated in accordance with and governed by the unalterable provisions of the Companies Act, 2008, meaning a provision of the Companies Act that does not expressly contemplate that its effect on any particular Company may be negated, restricted, limited, qualified, extended or otherwise altered in substance or effect by Memorandum of Incorporation or Rules and the alterable provisions of the Companies Act, meaning a provision of the Companies Act in which it is expressly contemplated that its effect on a particular Company may be of Incorporation, subject to the limitation, extensions, variations or substitutions see

Company. Section 1

- (3) Dreamcatcher South Africa (NPC) shall apply all of its assets and income, however derived, to advance its stated objects, as set out above in this Memorandum of Incorporation. The income and property of the Company shall not be distributable to its Incorporators, Members, Directors, Prescribed Officers or persons related to any of them except to the extent permitted by Item 1(3) of Schedule 1. *Item 1(2)(a) of Schedule 1 and Item 1(3) of Schedule 1*
- (4) This Memorandum of Incorporation does not limit or restrict the Company to acquire and hold securities issued by a profit Company or directly or indirectly, alone or with any other person, carry on any business, trade or undertaking consistent with or ancillary to its stated objects. The Non-Profit Company may conduct any business, including a commercial venture, as long as the funds generate *Item 1(2)(b)(i)(ii) of Schedule 1*
- (5) Dreamcatcher South Africa (NPC) shall not directly or indirectly, pay any portion of its income or transfer any of its assets, regardless of how the income or asset was derived, to any person, who is or was an Incorporator of the Company, or who is a Member or Director, or person appointing a Director, of the Company, except:
 - (5.1) as reasonable remuneration for goods delivered or services rendered to, or at the direction of, the Company, or payment of, or reimbursement for, expenses incurred to advance a stated object of the Company;
 - (5.2) as a payment of an amount due and payable by the Company in terms of a *bona fide* agreement between the Company and that person or another;
 - (5.3) as a payment in respect of any rights of that person, to the extent that such rights are administered by the Company in order to advance a stated object of the Company; or
 - (5.4) in respect of any legal obligation binding on the Company. *Item 1(3)(a)(i)(ii) and Item 1(3)(b)(c)(d) of Schedule 1 of the Act and section 122(b) of Act 3 of 2011*
- (6) Section 10 of the Income Tax Act, 1962 (Act 58 of 1962) grants exemptions from income tax to Public Benefit Organisations (PBOs) and in terms of section 30(3)(b) of the Income Tax Act, the Company meets stringent requirements for approval as a Public Benefit Organisation. *Item 1(6) of Schedule 1*
- (7) Under section 18A(2A) of the Income Tax Act, Dreamcatcher South Africa (NPC) carries on activities covered by both Parts I and II of the Ninth Schedule of the Income Tax Act, and ensures that donations are only used towards these activities.
- (8) Dreamcatcher South Africa (NPC) is prohibited in terms of this Memorandum of Incorporation from directly or indirectly distributing any of its funds or assets to any person other than in the course of furthering its objects as set out in this Memorandum of Incorporation.

- (2) A proxy appointment shall be in writing, dated and signed by the Member and remains valid for 1 (one) year from the date when it was signed unless the proxy itself provides for a longer or shorter duration unless it is revoked or expires earlier as contemplated in the Act.

The appointment is revocable unless the proxy appointment expressly states otherwise, and may be revoked by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy, and to the Company. The appointment is suspended at any time and to the extent that the holder entitled to vote chooses to act directly and in person in the exercise of any rights as a Member entitled to vote. *Section 58(2)(a)(b)(i)(ii)*

- (3) The authority of a Member the Member whether to exercise or abstain from exercising any Voting rights of the Member, is not limited or restricted by this Memorandum of Incorporation, subject only to any restriction set out in the instrument appointing the proxy. *Section 58(3)(b)*

- (4) In terms of the Act and this Memorandum of Incorporation if a proxy is received duly signed but with no indication as to how the person named therein should vote on any issue, the proxy may vote or abstain from Voting as he sees fit unless the proxy indicates otherwise.

Unless the instrument appointing a proxy provides otherwise, a Member Member, whether to exercise or abstain from exercising any Voting right of the Member, as set out in section 58(7) of the Act, and none of such rights or powers are limited, restricted or varied by this Memorandum of Incorporation. *Section 58(7)*

- (5) Dreamcatcher South Africa (NPC) shall not require that the proxy appointment be made irrevocable. *Section 58(8)(c)*

- (6) Dreamcatcher South Africa (NPC) shall be entitled to disregard a proxy form or instrument appointing a proxy, and to disregard the vote of any proxy or purported proxy, if:

(6.1) the proxy form or instrument of proxy does not comply with the requisite formalities, or with the requirements as to content, as prescribed in section 58 of the Act or is inconsistent with or contravenes this Memorandum of Incorporation; or

(6.2) the authority of the proxy has been revoked by the Member (if applicable, through its authorised representative or through its legal representative terms of section 58(4)(b) and (c). *Section 58(4)(a)(b)(c) and section 58(7)*

- (7) Any person who is a proxy or purported proxy specified in a proxy form or instrument appointing a proxy which may be disregarded, or the Voting of whom may be disregarded, shall not be entitled to attend, participate in, or speak or vote at the

Meeting of Members in question or by way of Round-Robin Resolution in terms of section 60 of the Act, and shall forthwith remove himself from the Meeting in question at the request of the Chairman of the Meeting. *Section 60*

2.3 Record date for determining Rights

- (1) The Board of the Company shall set a record date for the purpose of determining which Members are entitled to receive notice of a meeting, participate in and vote at a meeting, decide any matter by written consent or electronic communication, exercise pre-emptive rights, or be allotted or exercise other rights. *Section 59(1)(a)-(f)*

- (2) A record date determined by the Board may in terms of section 59(1) set the applicable record dates for the purposes of determining Member rights, in accordance with and as contemplated by section 59, including for purposes of determining that Members who are registered on a particular record date shall be entitled to:

- (2.1) receive the notice of Meeting (section 59(1)(a)); or
- (2.2) participate in and vote at a meeting (section 59(1)(b)); or
- (2.3) decide any matter by Round-Robin Resolution (section 59(1)(c)).

Each applicable record date determined by the Board:

- (2.4) shall not be earlier than the date on which the record date is determined by the Board, i.e. shall not be a
 - (2.5) shall not be more than 10 (ten) business days before the date on which the event or action for which the date is being set, is scheduled to occur (section 59(2)(a)(ii));
 - (2.6) must be published to every Member in terms of section 59(2)(b). *Section 59(1), section 59(1)(a)(b)(c), section 59(2)(a)(i)(ii) and section 59(2)(b)*
- (3) For the sake of clarity, in relation to each Member Meeting, and having regard to the possible sequence of events or actions, separate record dates shall be determined, and published by the Board, to determine which Members shall be entitled to:
- (3.1) receive the notice of Member Meeting;
 - (3.2) attend and vote at that meeting, as it may be adjourned or postponed, receive notice of any adjourned or postponed meeting, if notice is required or given; and
 - (3.3) attend and vote at the resumption of the adjourned Meeting or the commencement of the postponed Meeting. *Section 59*

2.4 Members acting other than at a Meeting

- (1) A Resolution that could be voted on at a meeting, other than in respect of the election of Directors, may instead be submitted by the Board for consideration to the Members entitled to exercise Voting rights in relation to the Resolution and voted on in writing by Members entitled to exercise Voting rights in relation to the Resolution within 20 (twenty) business days after the Resolution was submitted to them. *Section 60(1)(a)(b)*
- (2) A Resolution will have been adopted if it is supported by persons entitled to exercise sufficient Voting rights for it to have been adopted as an Ordinary or Special Resolution at a properly constituted Members meeting and if adopted, shall have the same effect as if it had been approved by Voting at a Meeting. *Section 60(2)(a)(b)*
- (3) An election of a Director that could be conducted at a meeting may instead be conducted by written polling of all of the Members entitled to exercise Voting rights in relation to the election of that Director. *Section 60(3)*

- (4) addition to a Resolution passed in terms of this clause, a Resolution in writing signed by all the Members entitled to vote thereon shall be as valid and effectual as if adopted at a duly convened meeting.

Within 10 (ten) business days after adopting a Resolution, or conducting an election of Directors in terms of the provisions of this clause, the Company shall deliver a statement describing the results of the vote, consent process, or election to every Member who was entitled to vote on or consent to the Resolution, or vote on the election of a Director, as the case may be.

Section 60(1)(a)(b) and section 60(4)

2.5 Members' Meetings

- (1) In terms of this Memorandum of Incorporation, the Board of the Company or a Member meeting at any time. *Section 61(1)(2)*
- (2) Notice of Members' meetings shall be sent to each Member entitled to vote at such Meeting and who has elected to receive such notice.
- (3) Dreamcatcher South Africa (NPC) shall hold a Members' meeting or put the proposed Resolution to Members entitled to vote:
 - (3.1) at any time that the Board is required by the Act or this Memorandum of Incorporation to refer a matter to Members entitled to vote for decision;
 - (3.2) whenever the number of Directors fall below the minimum number prescribed in the Act and the Company is required to fill a vacancy on the Board.

Except at any time when there is only 1 (one) Member or when a Resolution may be passed otherwise than at a Meeting of Members, the Company shall hold a Members' meeting:

- (3.3) at any time that the Board is required by the Act or this Memorandum of Incorporation to refer a matter to Members for decision;
 - (3.4) whenever required in terms of the Act to fill a vacancy on the Board;
 - (3.5) when demanded by Members;
 - (3.6) when required by any other provision of this Memorandum of Incorporation. *Section 61(2)(a)(b)*
- (4) This Memorandum of Incorporation does not provide a different period of notice of Members' meetings to the period prescribed by the Act and this does not prejudice the Company's rights to call a Meeting on less notice pursuant to section 62(2A) of the Act. *Section 62(1)(2)*
- (5) Dreamcatcher South Africa (NPC) shall, as determined by the Board either hold a Members' meeting in order to consider 1 (one) or more Resolutions, or as regards such Resolution(s) that could be voted on at a Members' meeting, other than an Annual General Meeting, instead require them to be dealt with by Round-Robin Resolution of Members entitled to vote. Within 10 (ten) business days after the Members entitled to vote by Round-Robin Resolution, the Company must deliver a statement describing the results of the vote, consent process, or election to every Member who was entitled to vote on or consent to the Round-Robin Resolution. *Section 61*
- (6) The Board or any Director of the Company authorised by the Board to do so may call a Meeting of Members at any time and must do so if and when required by the Companies Act or this Memorandum of Incorporation to do so. The Board must call a Meeting of Members demanded by Members in terms of section 61(3). If there are no Directors or all of the Directors of

the Company are incapacitated, the Company hereby authorises any Member of the Company to call a Member Meeting for purposes of and in the circumstances contemplated in section 61(11). *Section 61(1)(2)(3) and section 61(11)*

- (7) The Board of the Company or any Member or any other person specified in Memorandum of Incorporation or Company Rules, shall call a Members meeting if 1 (one) or more written and signed demands for such a Meeting are delivered to the Company and each such demand describes the specific purpose for which the Meeting is proposed and in aggregate, demands for substantially the same purpose are made and signed by the Members, as of the earliest time specified in any of those demands, of at least 10% (ten percent) of the Voting rights entitled to be exercised in relation to the matter proposed to be considered at the Meeting, in aggregate, demands for substantially the same purpose are made and signed by the Members, as of the earliest time specified in any of those demands, and the right of Members to requisition a Meeting as set out in section 61(3) may be exercised by the Members of a lower percentage of the Voting rights entitled to be exercised in relation to the matter to be considered at the Meeting, despite the provision of section 61(3). *Section 61(3)(a)(b) and section 61(4)*
- (8) At any time before the start of a Members meeting a Member who submitted a demand for that Meeting may withdraw that demand and the Company shall cancel the Meeting if, as a result of 1 (one) or more demands being withdrawn, the Voting rights of any remaining Members continue to demand the meeting, in aggregate, fall below the minimum percentage of Voting rights required to call a Meeting. *Section 61(6)(a)-(b)*
- (9) The authority of either the Board or Members to determine the location of any meeting, and to hold any such Meeting in the Republic of South Africa, or in any foreign country, is not limited or restricted by this Memorandum of Incorporation. *Section 61(9)(a)(b)*
- (10) With respect to the location(s) and venue(s) of a Members meeting, the Board may determine that a Meeting will take place at several locations and venues and may determine such arrangements as it in its sole discretion appropriate and practical in any circumstances to address the location and venue where the Chairman of the Meeting particular location or venue, the facilitators of attendance of persons at any particular location or venue, the entitlement of persons to attend at any particular location or venue, and the electronic participation of persons in the Meeting, and may from time to time vary any such arrangements. A Member who in person or as represented attends a Member Meeting physically at any of the various locations and venues for a Meeting shall be deemed to be present at the Meeting in question, and counted towards the quorum, while so attending. *Section 62(9)*
- (11) In regards to Members meetings the Board may convene a Members meeting whenever it thinks fit. If, at any time, there are insufficient Members within the Republic of South Africa capable of acting to form a quorum, any Director or any Member of the Company may convene a Members meeting in the same manner as nearly as possible as that in which Meetings may be convened by the Board. *Section 61(11)(a)*
- (12) Dreamcatcher South Africa (NPC) is not required to hold any Members meetings other than those specifically required by the Act.
- (13) Notwithstanding anything to the contrary contained in the Act or this Memorandum of Incorporation, all Members meetings that are called for may be held in person.
- (14) Any failure to hold a Meeting does not affect the existence of the Company, or the validity of any action by the Company. *Section 61(14)*
- (15) Each Director of the Company shall be present for the entire duration of each Members meeting, unless a Member or his representative or proxy requests 1 (one) or more or all the Directors to withdraw and leave the Meeting or any part of the Meeting in which event, such Director(s) as have been requested to leave, shall leave the Meeting for the period as requested.

2.6 Notices

- (1) Each Member (or the agent) shall notify the Company in writing of an electronic mail address, a fax number, and a physical or postal address, each of which shall be deemed to be the registered address within the meaning of this Memorandum of Incorporation, and if the Member has not notified the Company of at least 1 (one) of the above, the Member shall be deemed to have waived his right to be served from any notice of the Company.

2.7 Notice of meetings

- (1) A notice of a Meeting of any class of Members must be delivered contemporaneously to each Member registered as such as of the applicable record date for delivery of that notice, determined in terms of the record date, read with section 59(1)(a) of the Act, of the class of Member entitled to vote on any of the Resolutions to be considered at the Meeting, and to the Auditors for the time being of the Company in terms of section 93(1)(c)(ii) of the Act; and if expressly required in terms of an instrument appointing a proxy which has been delivered to the Company, to the proxy or proxies of a Member (section 58(6) of the Act), in form and content as prescribed in section 62(3), at least 10 (ten) business days before the date on which the Meeting is to begin. Any failure to comply with this clause shall not affect the validity of the General Meeting. *Section 58(6), section 59(1)(a), section 62(1)(a)(b) and section 93(1)(c)*
- (2) Dreamcatcher South Africa (NPC) may call a Meeting with less notice than required by this Memorandum of Incorporation, but such a Meeting may proceed only if every person who is entitled to exercise Voting rights in respect of any item on the Meeting agenda is present at the Meeting and votes to waive the required minimum notice of the Meeting. *Section 62(2A)*
- (3) A notice of a meeting shall be in writing in plain language and shall include:
 - (3.1) the date, time and place for the Meeting, and the record date for the Meeting;
 - (3.2) the general purpose of the Meeting, and any specific purpose if applicable:
 - (3.2.1) a summarised form of the Financial Statements to be presented and directions for obtaining a copy of the complete Financial Statements for the preceding financial year;
 - (3.2.2) a copy of any proposed Resolution of which the Company has received notice, and which is to be considered at the Meeting, and a notice of the percentage of Voting rights that will be required for that Resolution to be adopted;
 - (3.3) a reasonably prominent statement that:
 - (3.3.1) a Member entitled to attend and vote at the meeting shall be entitled to appoint a proxy to attend, participate in, speak and vote at the in the place of the Member entitled to vote or given or withhold written consent on behalf of the Member entitled to vote to a decision by Round- Robin Resolution of the relevant holders entitled to vote;
 - (3.3.2) a proxy need not be a Member entitled to vote; and
 - (3.3.3) participants in a meeting are required to furnish satisfactory identification in terms of section 63(1) of the Companies Act in order to reasonably satisfy the person presiding at the .
Section 62(3)(a)-(e)
- (4) The notice of a Meeting or of an adjourned Meeting:
 - (4.1) must inform Members of the availability of participation in the Meeting and of participation in any postponement or adjournment of the Meeting, by electronic communication and must provide the necessary information to enable

Members or their proxy or proxies to access the available medium or means of electronic communication for the Meeting and for any postponement or adjournment thereof in terms of section 63(3)(a) of the Act;

- (4.2) should, for the sake of clarity, specify the record date determining which Members are entitled to receive the notice of the Meeting (section 59(1)(a) and 59(2)(b) of the Act);
- (4.3) must comply with the requirements set out in section 62(3) as to formalities and content, including specifying the record date for determining which Members are entitled to attend, participate in and vote at the Meeting (section 59(1)(b) and 59(3)(b) of the Act);
- (4.4) must specify whether any proposed Resolution is to be voted on by polling; and
- (4.5) should, for the sake of clarity, specify the applicable record dates which would be applicable in terms of section 59(1)(a) and (b) of the Act should the Meeting be postponed or adjourned.

2.8 Conduct of Meetings

- (1) A person wishing to attend or speak at or participate in or vote at a Member Meeting as a Member personally or as an authorised representative or as a proxy for a Member, or as the legal representative of a Member, or as the Auditors or representative of the Auditors, must for purposes of identification, present reasonably satisfactory identification and evidence of their authority or entitlement to represent the Member in question or to attend the Meeting, to the Chairman of the Meeting 30 (thirty) minutes before the appointed time for that Meeting to begin or, if the Meeting is adjourned, 30 (thirty) minutes before the appointed time for that adjourned Meeting to resume, as the case may be, stipulated in the notice of the Meeting or adjourned Meeting in question.

If applicable, the auditors for the time being of the Company shall be entitled to attend any Member Meeting and be heard on any part of the business of the M *Section 63(1)(a) and section 93(1)(c)(i)(iii)*

- (2) In terms of the Act and this Memorandum of Incorporation the Company has the authority to conduct a Meeting entirely by electronic communication or to provide for participation in a Meeting by electronic communication, is not limited or restricted by this Memorandum of Incorporation.

Dreamcatcher South Africa (NPC) entitles a meeting to be conducted entirely by electronic communication, or 1 (one) or more Members, or proxies for Members, to participate by electronic communication in all or part of a Meeting that is being held in person, as long as the electronic communication employed ordinarily enables all persons participating in that Meeting to communicate concurrently with each other without an intermediary and to participate reasonably effectively in the Meeting.

Every Meeting of Members must be reasonably accessible within or outside the Republic of South Africa for electronic participation by Members, irrespective of the physical location of the Meeting.

Members (or if applicable their representatives or proxies) may participate in all or part of a Meeting (including the Meeting as adjourned) which they are entitled to attend, by electronic communication, at their own expense.

The electronic communication employed by the Company must ordinarily enable all participants in the Meeting to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the Meeting.

A Resolution adopted by Members, some or all of whom were connected electronically, where:

- (2.1) Members connected electronically remained connected for the duration of that part of the Meeting during which the Resolution was discussed; and

- (2.2) the subject matter of the Resolution has been discussed; and
- (2.3) the Chairman of the Meeting or any other person present in person or electronically at the Meeting certifies in writing that the aforementioned requirements have been met;

shall be deemed to have been passed on the date on which the Resolution was adopted.

Within 10 (ten) business days after the adoption or failing of a Resolution at a Meeting or where some or all of the Members were connected and participated electronically, the Company shall:

- (2.4) deliver to each Member a copy of the Resolution proposed, accompanied by a statement describing the results of the vote, consent process or election, as the case may be; and
- (2.5) insert a copy of the said Resolution and statement in the minute book of the Company.

A Member who in person or as represented participates in a Meeting at any time electronically in terms of this article shall be deemed to be present at the Meeting in question, and counted towards a quorum, while so participating. *Section 60(4), section 61(10), section 63(2)(a)(b) and section 63(2)(b)*

- (3) In the event that the Company provides for participation in a Meeting by electronic communication, as set out in clause 2 of this sub-article, the notice of that Meeting shall inform Members of the availability of that form of participation and provide any necessary information to enable Members or their proxies to access the available medium or means of electronic communication, and access to the medium or means of electronic communication is at the expense of the Members or proxy. *Section 63(3)(a) and section 63(3)(b)*

2.9 Meeting Quorum and Postponement

- (1) In terms of the Act, this Memorandum of Incorporation specifies that at least 25% (twenty five percent) of all the Voting rights that are entitled to be exercised in respect of:
 - (1.1) at least 1 (one) matter to be decided at any meeting must be present for that meeting to begin; and
 - (1.2) a matter to be decided at any meeting for that matter to begin to be considered at that Meeting, provided that 3 (three) Members entitled to attend and vote are present at the time of the Meeting.

After a quorum has been established for a meeting, or for a matter to be considered at a meeting, the meeting may continue, or the matter may be considered, so long as all the Members for such quorum are present at the meeting.

The quorum shall be sufficient persons present at the meeting to exercise, in aggregate, at least 25% (twenty five percent) of all of the Voting rights that are entitled to be exercised in respect of at least 1 (one) matter to be decided at the meeting but if the Company has more than 2 (two) Members entitled to vote, the meeting may not begin unless in addition at least 3 (three) Members entitled to vote are present.

2.10 Adjournment of meetings

- (1) In terms of the Act and this Memorandum of Incorporation an adjournment of a meeting, or of consideration of a matter being debated at the meeting shall be either to a fixed time and place, or until further notice, as agreed at the meeting and requires that a further notice be given to Members only if the meeting determined that the adjournment was until further notice.

Dreamcatcher South Africa (NPC) shall not be required to give further notice of a meeting that is postponed or adjourned unless:

- (1.1) the location for the meeting is different from:
 - (1.1.1) the location of the postponed or adjourned meeting (section 64(7)(a) of the Act); or
 - (1.1.2) the location announced at the time of adjournment, in the case of an adjourned Meeting (section 64(7)(b) of the Act); or
- (1.2) it is necessary to inform registered Members of the availability of participation in the postponed or adjourned Meeting by electronic means; or
- (1.3) the Meeting this Memorandum of Incorporation.
Section 64(7)(a)(b) and section 64(11)

If the location of the Meeting is different from the location of the adjourned Meeting, the Company shall publish a notice in the newspaper circulating in the province, where the head office of the Company is situated stating the date, time and place to which the set Meeting has been adjourned.

- (2) In terms of the Act and this Memorandum of Incorporation subject to any requirements of this Memorandum of Incorporation, the quorum at any adjourned Meeting shall be the Members present thereat personally or by proxy, who may transact the business for which the Meeting was called.

If at any adjourned Meeting a quorum is not present within 30 (thirty) minutes from the appointed time for such Meeting to commence, the Members who are present or represented by proxy and entitled to vote shall constitute a quorum and may proceed to transact the business of the Meeting.

- (3) No business shall be transacted at any adjourned meeting of the Company other than business left unfinished at the Meeting from which the adjournment took place.
- (4) After a quorum has been established for a Meeting or for a matter to be considered at a Meeting, the Meeting may continue or the matter may be considered, so long as at least 1 (one) registered Member with Voting rights entitled to be exercised at the Meeting, or on that matter, is present or presented at the Meeting. *Section 64(9)*

2.11 Votes of Members

- (1) In terms of the Act and this Memorandum of Incorporation subject to any special rights or restrictions as to Voting by or in accordance with this Memorandum of Incorporation, at a Meeting of the Company:
 - (1.1) every person present, either personally or by proxy, and entitled to exercise Voting rights shall be entitled to 1 (one) vote on a show of hands, irrespective of the number of Voting rights that person would otherwise be entitled to exercise;
 - (1.2) on a poll any person who is present at the Meeting, whether as a Member or as a proxy for a Member, has the number of votes determined in accordance with Voting rights held by that Member; and
 - (1.3) Voting shall be conducted by means of a polled vote in respect of any matter to be voted on at a Meeting of Members if a demand is made for such a vote by:
 - (1.3.1) at least 5 (five) persons having the right vote on that matter, either as Members or as proxies representing Members; or

(1.3.2) a Member who is, or Members who together are, entitled, as Members or proxies representing Members, exercise at least 10% (ten percent) of the Voting rights entitled to be voted on that matter; or

(1.3.3) the Chairman of the Meeting.

At any Meeting of the Company a Resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of this clause, and unless a poll is so demanded, a declaration by the Chairman that a Resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or defeated, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such Resolution. The demand for a poll may be withdrawn.

If a poll is duly demanded, it shall be taken in such a manner as the Chairman directs, and the result of the poll shall be deemed to be the Resolution of the Meeting at which the poll was demanded. In computing the majority on the poll, regard shall be had to the number of votes to which each Member is entitled.

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place, or at which the poll is demanded, shall not be entitled to a second or casting vote.

A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the Meeting directs. The demand for a poll shall not prevent the continuation of a Meeting for the transaction of any business other than the question upon which the poll has been demanded.

(2) Every Resolution of Members is either:

(2.1) an Ordinary Resolution in terms of the Companies Act (section 65(1)); or

(2.2) a Special Resolution in terms of the Companies Act, as required in terms of the Companies Act or as required in terms of this Memorandum of Incorporation (section 65(1) read with section 65(9), (11) and (12)); or

(2.3) the Board may propose any Resolution to be considered by Members and may determine whether that Resolution will be considered and voted on at a Members or by Round-Robin Resolution (section 65(2)).

(3) The passing of an Ordinary Resolution is to be subject to the approval of at least 51% (fifty one percent) of the votes cast by all Members present in person or represented by proxy, at the General Meeting convened to approve such Resolution and shall be subject to a minimum notice period of 10 (ten) business days.

(4) The passing of a Special Resolution is to be subject to the approval of at least 61% (sixty one percent) of the votes cast by all Members present in person, or represented by proxy, at the General Meeting or the Annual General Meeting convened to approve such Resolution and shall be subject to a minimum notice period of 10 (ten) business days.

(5) A Special Resolution shall be required to:

(5.1) ratify a consolidated revision of _____ Memorandum of Incorporation as contemplated in section 18(1)(b) of the Act;

(5.2) ratify actions by the Company or Directors in excess of their authority in terms of Article: Incorporation and Nature of the Company Validity of Company's Actions and Article: Member General Meetings of this Memorandum of Incorporation (section 20(2) of the Act);

- (5.3) approve the voluntary winding-up of the Company in terms of Article: Dissolution and Distribution of Net Value of Company Winding-up or Dissolution of this Memorandum of Incorporation (section 80(1) of the Act);
 - (5.4) approve the winding-up of a Company in terms of Article: Dissolution and Distribution of Net Value of Company Winding-up or Dissolution of this Memorandum of Incorporation (section 81(1) of the Act);
 - (5.5) approve an application to transfer the registration of the Company to a foreign jurisdiction (section 82(5) of the Act);
 - (5.6) approve any proposed fundamental transaction to the extent required by Part A of Chapter 5 or 30;
 - (5.7) revoke a Resolution (section 164(9)(c) of the Act);
 - (5.8) a Special Resolution adopted at a Member Memorandum of Incorporation, in addition to the matters set out above in terms of section 65(11), for:
 - (5.8.1) dis-applying pre-emptive rights that would otherwise apply. *Section 65(11)(a)-(m)*
 - (6) A Special Resolution adopted at a Member or a matter to be determined by the Company, except those matters set out in section 65(11), or elsewhere in either the Act or this Memorandum of Incorporation. *Section 65(11) and section 65(12)*
 - (7) In terms of this Act and this- Memorandum of Incorporation, Round-Robin Resolution of Members entitled to vote, will be passed if signed by Members entitled to exercise sufficient Voting rights for it to have been adopted as an Ordinary or Special Resolution, as the case may be, at a properly constituted .
- If a Member entitled to vote is a Body Corporate, represented, at any Members meeting shall have only 1 (one) vote, a proxy shall only have 1 (one) vote on a show of hands.
- Within 10 (ten) business days after the adoption or failing of a Round-Robin Resolution, the Company shall:
- (7.1) deliver to each Member a copy of the Resolution proposed, accompanied, by a statement describing the results of the vote, consent process or election, as the case may be (section 60(4)); and
 - (7.2) insert a copy of the Resolution and statement referred to in the minute book of the Company.
- (8) Any 2 (two) or more Members may by notice to the Board require the Board to propose a Resolution concerning a matter in respect of which such Members are each entitled to exercise Voting rights, and when proposing the Resolution may require to Board to determine that the Resolution be submitted to Members for consideration at a Meeting of Members called, or at the next scheduled meeting, or by Round-Robin Resolution. *Section 65(3)*
 - (9) Any Resolution proposed must comply with the requirements as to form and content, and supporting information or explanatory material, specified in section 65(4).
 - (10) Dreamcatcher South Africa (NPC) is not obliged to file with the Commission any Member Resolution (including any Special Resolution), except if required to do so in terms of the Companies Act or this Memorandum of Incorporation and the Board may decide whether the Company is obliged to file with the Commission any Members Resolution. *Section 65(11), section 59(1)(c), section 60(1)(a), section 60(1)(b), section 60(2), section 60(3), section 60(4), section 60(5), section 65(1), section 65(2), section 65(3), section 65(4), section 65(9), section 65(11) and section 65(12)*

2.12 General Meetings

- (1) Except at any time when there is only 1 (one) Member or when a Resolution may be passed, otherwise, than at a Meeting of Members, the Company shall hold a meeting:
 - (1.1) at any time that the Board is required by the Act or this Memorandum of Incorporation to refer a matter to Members for decision;
 - (1.2) whenever required in terms of the Act to fill a vacancy on the Board;
 - (1.3) when demanded by Members; or
 - (1.4) when required by any other provision of this Memorandum of Incorporation *Section 61(2)(a)(b)*
- (2) In the event that the Company elects to hold a Meeting, the business of the Meeting shall be to receive and consider the following:
 - (2.1) the presentation of the Director
 - (2.2) the election of Directors to the extent required by section 66(4)(b) of the Act or this Memorandum of Incorporation;
 - (2.3) the presentation of a summarised form of Audited Annual Financial Statements, for the immediate preceding financial year of the Company and directions for obtaining a copy of the complete Financial Statements for the preceding financial year of the Company, if so required by the Act or this Memorandum of Incorporation, if applicable for the Company;
 - (2.4) the presentation of the Audit Committee report if so required by the Act or this Memorandum of Incorporation, if applicable for the Company;
 - (2.5) the appointment of an Auditor for the ensuing financial year if so required by the Act or this Memorandum of Incorporation, if applicable for the Company;
 - (2.6) the appointment of an Audit Committee for the ensuing financial year if so required by the Act or this Memorandum of Incorporation, if applicable for the Company;
 - (2.7) the appointment of a Social and Ethics Committee for the ensuing financial year if so required by the Act or this Memorandum of Incorporation, if applicable for the Company;
 - (2.8) the presentation of the Social and Ethics Committee report, if so required by the Act or this Memorandum of Incorporation, if applicable for the Company;
 - (2.9) the election of other Prescribed Officers of the Company in the place of those retiring by rotation or otherwise;
 - (2.10) any other matter or business determined by the Board;
 - (2.11) any matters raised by the Members, with or without advance notice to the Company;
 - (2.12) any other business which ought to be transacted at an Annual General Meeting, and any business which is brought under consideration by the reports of the Board laid before such Meeting;
 - (2.13) all other business transacted at the Annual General Meeting and all business transacted at any other Meeting shall be deemed special; and/or
 - (2.14) a copy of any proposed Resolution of which the Company has received notice, and which is to be considered at the Meeting;

(2.15) a notice of the percentage of Voting rights that will be required for that Resolution to be adopted;

(2.16) a reasonably prominent statement that:

(2.16.1) a Member entitled to attend and vote at the _____ meeting shall be entitled to appoint a proxy to attend, participate in, speak and vote at the _____ meeting in the place of the Member entitled to vote or given or withhold written consent on behalf of the Member entitled to vote to a decision by Round-Robin Resolution of the relevant Members entitled to vote;

(2.16.2) a proxy need not be a Member entitled to vote; and

(2.16.3) participants in a Meeting are required to furnish satisfactory identification in terms of section 63(1) of the Act in order to reasonably satisfy the person presiding at the _____.

(3) At least 10(ten) business days before the date of the Meeting, a copy of the Annual Financial Statements of the Company shall be delivered to all Members, save for any Member who waives his right to receive such Statements.

2.13 Termination of Membership

(1) The Membership of a Member shall terminate if:

(1.1) the Member resigns by giving 30 (thirty) days written notice the Company;

(1.2) the Member, being a natural person, dies or his estate is surrendered or sequestrated in terms of the Insolvency Act 1936 as amended;

(1.3) the Board of Directors may consider termination of a Membership, if proven that such Member behaviour is regarded as being damaging to image and reputation;

(1.4) the Member fails to pay the Membership subscription fee on or before the date on which it is due, provided that the Board may in its discretion reinstate any Member who makes payment of arrear Membership subscription fee within a period of 3 (three) months after the date on which it is due;

(1.5) in case of a Member being a Company or Close Corporation, it is finally wound up or deregistered in terms of the Companies, or Close Corporations legislation in place from time to time.

ARTICLE 3 BOARD, DIRECTORS AND PRESCRIBED OFFICERS

3.1 First Director or Directors

- (1) Each Incorporator of the Company is a first Director of the Company and serves until sufficient other Directors have first been elected to satisfy the minimum requirements of this Memorandum of Incorporation. *Section 67(1)(a)(b)*
- (2) In the event of the number of Incorporators of the Company together with any *ex officio* Directors, or Directors to be elected in terms of clause 1 of this sub-article is fewer than the minimum number of Directors required for the Company in terms of the Act, or Memorandum of Incorporation, the Board shall call a Members meeting within 40 (forty) business days after incorporation of the Company for the purpose of electing sufficient Directors to fill all vacancies on the Board at the time of the election. *Section 67(2)*
- (3) The Board must comprise in the case of this Non-Profit Company at least 3 (three) Directors in terms of section 66(2)(a).
- (4) This Memorandum of Incorporation provides for the Company to have Directors and Voting Members and since the Directors are to be elected by the Voting Members, this Memorandum of Incorporation provides for the election of at least one-third of those elected Directors each year. *Item 5(1)(b) of Schedule 1*

3.2 Election of Directors

- (1) This Memorandum of Incorporation provides for:
 - (1.1) the election of executive and non-executive Directors by the Board or the election each year of at least one-third of those elected Directors by Voting Members;
 - (1.2) a person to be an *ex officio* Director of the Company as a consequence of that person holding some other office title, designation or similar status;
 - (1.3) the election of 1 (one) or more persons as alternate Directors of the Company. *Section 66(4)(a)(i) (iii) and Item 5 of Schedule 1*
- (2) A person becomes entitled to serve as a Director of this Company when that person:
 - (2.1) has been elected in accordance with Item 5 of Schedule 1, or holds an office, title, designation or similar status, entitling that person to be an *ex officio* Director of the Company; and
 - (2.2) has delivered to the Company a written consent to serve as its Director. *Section 66(7)(a)(b) of the Act and section 44(b) of Act 3 of 2011*
- (3) Any particular Director may be elected to more than 1 (one) Committee of the Company and when calculating the minimum number of Directors required for this Company, being not less than 3 (three) Directors, a Director who has been elected to more than 1 (one) Committee must be counted only once. *Section 66(12)*
- (4) A person contemplated in clause 1 of this sub-article who holds office or acts in the capacity of an *ex officio* Director of a company has all the:
 - (4.1) powers and functions of any other Director of the Company, except to the extent that Memorandum of Incorporation restricts the powers and functions or duties of an *ex officio* Director; and
 - (4.2) duties, and is subject to all of the liabilities, of any other Director of the Company. *Section 66(5)(b)(i)(ii)*

- (5) In any election of Directors the election is to be conducted as a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, with the series of votes continuing until all vacancies on the Board at that time have been filled; and in each vote to fill a vacancy where each Voting right entitled to be exercised may be exercised once and the vacancy is filled only if a majority of the Voting rights exercised support the candidate. *Section 66(2)(a)(b)(i)(ii)*
- (6) The Board may appoint a person who satisfies the requirements for election as a Director to fill any vacancy and serve as a Director of the Company on a temporary basis until the vacancy has been filled by election in terms of this Memorandum of Incorporation. During that period, any person so appointed has all the powers, functions and duties and is subject to all of the liabilities of any other Director of the Company. *Section 68(3)*
- (7) A person elected or appointed as an alternate for a Director acts for all intents and purposes in the place of, and not for or as a representative of, the Director for whom he is an alternate, and shall be treated as a Director of the Company while he acts in the place of the Director for whom he is an alternate.

While acting in the place of the Director for whom he is an alternate, the alternate Director may generally exercise all the rights of that Director and shall, in all aspects, be subject to the terms and conditions existing with reference to the appointment, rights and duties as Director and the holding of office of that Director, and shall not have any claim of any nature whatsoever against the Company for any remuneration with respect to his services as a Director or his appointment as an alternate.

A person may be elected or appointed as an alternate for 1 (one) or more Directors. *Section 66(4)(b)*

- (8) An alternate shall only be entitled to vote at any Meeting if the Director for whom he is an alternate is not present at that Meeting, provided that the alternate may also attend a Meeting at which the Director for whom he is an alternate is present if the other Directors present at the Meeting, resolve that he may attend, provided further, that in the circumstances when the Director for whom he is an alternate, is present, then the alternate shall not be counted towards a quorum and shall recuse himself from the Meeting if requested by any Director to do so.

Any person attending a Meeting of Directors as an alternate for 1 (one) or more Directors in the absence of such Director(s) shall only have 1 (one) vote and shall not be entitled to more than 1 (one) vote at any such Meeting.

An alternate shall only be entitled to sign a Round-Robin Resolution if the Director for whom he is an alternate is then absent from the Republic of South Africa or is out of reach of communication or is incapacitated.

The appointment of an alternate shall cease, and he shall vacate his office as an alternate, if:

- (8.1) the alternate was appointed by the Board and the Board gives notice to that alternate terminating his appointment;
- (8.2) the person, for whom another person has been elected or appointed as an alternate, ceases to be a Director of the Company or ceases to be entitled to serve as a Director, for any reason; or
- (8.3) an event occurs or circumstances arise, in relation to an alternate, which if he were a full Director would cause him to cease to be entitled to serve as a Director in terms of the Companies Act or this Memorandum of Incorporation. *Section 66(4)(b)*

3.3 Governance of the Board

- (1) In terms of the Act and this Memorandum of Incorporation the business and affairs of the Company shall be managed by or under the direction of its Board, which has the authority to exercise all of the powers and perform any of the functions of the Company, as set out in section 66(1), is limited, restricted and qualified by this Memorandum of Incorporation except to the extent that the Act and this Memorandum of Incorporation provides otherwise in terms of section 66(1) and to the extent set

out in Item 11(1) of Schedule 5 of the Act. The Directors may from time to time, at their discretion, raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. *Section 66(1)*

- (2) The Directors may, at any time and from time to time, by power of attorney appoint any person or persons to be the attorney or attorneys and agent(s) of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors in terms of this Memorandum of Incorporation including the right of sub-delegation) and for such period and subject to such conditions as the Directors may from time to time think fit. Any such appointment may, if the Directors think fit, be made in favour of any Company, the Members, Directors, Nominees or Managers of any Company or firm, or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors. Any such Power of Attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys and agents as the Directors think fit. Any such attorneys or agents as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

Save as otherwise expressly provided herein, all cheques, promissory notes, bills of exchange and other negotiable or transferable instruments, and all documents to be executed by the Company, shall be signed, drawn, accepted, endorsed or executed, as the case may be, in such manner as the Directors shall from time to time determine.

3.4 Vacancies on the Board

- (1) In terms of this Memorandum of Incorporation, a person shall cease to be a Director and a vacancy arises on the Board of the Company:

(1.1) of office as Director expires, or (1.2) in any case, if

the person:

- (1.2.1) resigns or dies;
- (1.2.2) in the case of an *ex officio* Director, ceases to hold the office, title, designation or similar status that entitled the person to be an *ex officio* Director;
- (1.2.3) becomes incapacitated to the extent that the person is unable to perform the functions of a Director, and is unlikely to regain that capacity within a reasonable time subject to section 71(3);
- (1.2.4) is declared delinquent by a court or placed on probation under conditions that are inconsistent with continuing to be a Director of the Company in terms of section 162;
- (1.2.5) becomes ineligible or disqualified in terms of section 69 subject to section 71(3); or
- (1.2.6) is removed:
 - (1.2.6.1) by Resolution of the Members in terms of section 71(1);
 - (1.2.6.2) by Resolution of the Board in terms of section 71(3); or
 - (1.2.6.3) by order of the court in terms of section 71(5) or (6). *Section 70(1)(a)(b)(i)-(vi)*

- (2) If a vacancy arises on the Board, the Board may in terms of section 68(3) elect a person who satisfies the requirements for election as a Director to fill any vacancy and serve as a Director of the Company on a temporary basis until the earlier of the vacancy being filled by election by the Members in terms of section 68(2) or the conclusion of the next General Meeting of the Company after the temporary filling.

If a vacancy arises on the Board, and as a result thereof, the Company does not have the minimum number of Directors required by the Act or this Memorandum of Incorporation, the Board shall within the period of 3 (three) months from the date such a vacancy arose, continue to function in terms of section 66(11) and shall fill the vacancy on a temporary basis as provided for above or convene a General Meeting or propose a Round-Robin Resolution for the purposes of the Members conducting an election to fill such vacancy in terms of section 68(2).

After the expiry of the 3 (three) month period, the remaining Directors on the Board shall only be permitted to act for the purposes of filling the vacancy or calling a General Meeting of Members or proposing a Round-Robin Resolution for purposes of an election in terms of section 68(2).

If at any time the number of Directors falls below the number required as a quorum the continuing Directors may act for the purpose of appointing sufficient Directors to constitute a quorum or for convening a General Meeting but for no other purpose.

(3) If a person has ceased to be a Director of the Company and a vacancy on the Board has arisen, such vacancy must be filled as provided for in section 70(3), subject to section 70(4) as follows:

(3.1) if the Company is not required to hold a General Meeting, the vacancy must be filled within six (6) months after the vacancy arose:

(3.1.1) at a Members meeting called for the purpose of electing the Director; or

(3.1.2) by a poll of the persons entitled to exercise Voting rights in an election of the Director in terms of section 60(3). *Section 70(3)(a)(b)(i)(ii)*

3.5 Removal of Directors

(1) In terms of section 71(1) a Director elected by Members may be removed by an Ordinary Resolution adopted at a Meeting entitled to exercise Voting rights in the election of that Director, despite anything to the contrary in this Memorandum of Incorporation, or any agreement between the Company and that Director, or between any Members and that Director as follows:

(1.1) before the Members of a Company consider the above Resolution:

(1.1.1) the Director concerned must be given notice of the Meeting and the Resolution. The notice must be equivalent to that which a Member is entitled to receive, irrespective of whether or not the Director is a Member of the Company; and

(1.1.2) the Director must be afforded a reasonable opportunity to make a presentation to the Meeting either in person or through a representative before the Resolution is put to a vote. *Section 71(1) and section 71(1)(2)(a)(b)*

(2) Dreamcatcher South Africa (NPC) has at least 3 (three) Directors, and if a Member or a Director contends that a person should be removed as a Director of the Company by the Board on any of the following grounds set out in section 71(3):

(2.1) has become:

(2.1.1) ineligible or disqualified in terms of section 69; or

(2.1.2) incapacitated to the extent that the Director is unable to perform the functions of a Director and is unlikely to regain that capacity within a reasonable time;

(2.2) or has neglected or been derelict in the performance of the functions of a Director;

that Member or Director shall first submit to the Board each of its contentions and the specific grounds of each such allegation and shall submit to the Board all evidence available on which the Member or Director relies on for making the contention and allegation. On receipt thereof the Board must study such submission, investigate the allegation and determine the matter by Resolution in accordance with and subject to the procedures and its power to do so as set out in section 71(3) to (10).

- (3) This Memorandum of Incorporation prohibits the removal of a Director by Round-Robin Resolution of Members in terms of section 60 or Directors acting other than at a Meeting in terms of section 74 where a decision may be adopted by written consent of the majority of Directors, given either in person or by electronic communication, since the Director concerned must be afforded a reasonable opportunity to make a presentation at a Board Meeting, in person or through a representative, before the Resolution to remove him is put to a vote. *Section 71*
- (4) A Director shall be entitled to resign as Director the Company or on such shorter notice as the Board may determine.

3.6 Board Committees

- (1) This Memorandum of Incorporation does not limit, restrict or qualify the authority of the Board to appoint any number of Committees of Directors, or to delegate to any such Committee any of the authority of the Board.

Except to the extent that the Board or a Resolution establishing a Committee provides otherwise, the Members of the Board Committee:

- (1.1) may include persons who are not Directors of the Company but any such persons must not be ineligible or disqualified to be a Director in terms of section 69 of the Act;
- (1.2) may consult with or receive advice from any person;
- (1.3) may be remunerated for their services as such; and
- (1.4) provided that the Committee is duly constituted, have the full authority of the Board in respect of any matter referred to it. *Section 72(1)(a)(b) and section 72(2)(a)(b)*
- (2) The Members of each Board Committee shall hold and conduct their Meetings in accordance with the provisions of the Board and Board Committees Charter and the Rules of the Company governing the holding and conduct of such Meeting, which provisions are binding on each Board Committee Member in terms of section 15(6)(c)(ii). Any Board Committee formed shall conform to any regulations that may from time to time be imposed upon it by the Board, provided that the Meetings and proceedings of any Board Committee consisting of 2 (two) or more Members shall be governed by the provisions contained in this Memorandum of Incorporation regulating the Meetings and proceedings of the Board, so far as the same are applicable thereto, and are not superseded by any regulation made by the Board.
- (3) If the Company has in any 2 (two) of the previous 5 (five) years, scored above 500 (five hundred) points in terms of its Public Interest Score, the Company shall appoint a Social and Ethics Committee, unless it is a subsidiary of another Company that has a Social and Ethics Committee and the Social and Ethics Committee of that other Company which will perform the functions required by this regulation on behalf of that subsidiary Company; or it has been exempted by the Tribunal. *Regulation 43(2)(a)(b)*
- (4) If and for as long as it is required to do so in terms of the Act or the Regulations and unless the Company is exempted from doing so by the Tribunal, in terms of section 72(5) of the Act, the Board may appoint a Social and Ethics Committee having

the powers and functions prescribed in terms of section 72(4) of the Act and Regulation 43(2), which Committee shall comprise not less than 3 (three) Directors or Prescribed Officers of the Company, at least 1 (one) of whom must be a Director who is not involved in the day to day management of business, and must not have been so involved within the previous 3 (three) financial years. (Regulations 43(2) and (4)). The Social and Ethics Committee is governed by, and is subject to, the terms and conditions of the Board and Board Committees Charter read with the Act and the Regulations. *Section 15(6)(c)(ii), section 72(1), section 72(2)(a)(i)(ii), section 72(2)(b)(c), section 72(4), Regulation 43(2) and Regulation 43(4)*

- (5) If a Company exists on the effective date and is required to have a Social and Ethics Committee, it shall appoint the first Members of the Committee within 12 (twelve) months after the effective date, or the determination by the Tribunal of the application. *Regulation 43(3)(i)(ii)*
- (6) In the event the Company has a Social and Ethics Committee, the said Committee is entitled to:
- (6.1) require from any Director or Prescribed Officer of the Company any information or explanation necessary for the performance
 - (6.2) request from any employee of the Company any information or explanation necessary for the performance of the
 - (6.3) attend any Members Meeting;
 - (6.4) receive all notices of and other communications relating to any Members Meeting; and
 - (6.5) be heard at any Members Meeting on any part of the business of the Meeting that concern functions. *Section 72(8)(a-e)*

Dreamcatcher South Africa (NPC) shall pay all the expenses reasonably incurred by its Social and Ethics Committee including, if the Social and Ethics Committee considers it appropriate, the costs or the fees of any consultant or specialist engaged by the Social and Ethics Committee in the performance of its functions. *Section 72(9)*

- (7) The Board shall have the power to appoint, and at its discretion to remove or suspend, a local Board Committee or Board Committees in any foreign country whatsoever and to fix and vary their remuneration; to establish and keep registered offices and branch registers in any foreign country whatsoever and to close same at its discretion; and to appoint and remove agents who represent the Company for such purposes as the Board may determine. The Board shall have the power to, at any time and from time to time, by power of attorney, appoint any person or persons to be the attorney or attorneys of the Company for the purposes of this item with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board in terms of the Act and this Memorandum of Incorporation) for such period and subject to such conditions as the Board may from time to time think fit. Any such appointment, may if the Board thinks fit, be made in favour of the Members of any foreign Committee established as aforesaid, or in favour of any company, or of the Members, Directors, nominees or managers of any company or firm, or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board. Any such Power of Attorney may contain provisions for the protection or convenience of persons dealing with such attorneys as the Board thinks fit. Any such delegates as aforesaid may be authorised by the Board to sub-delegate all or any of the powers, authorities and discretions for the time being vested in it. *Section 72(1)(a)*

3.7 Board Meetings

- (1) A Director authorised by the Board of the Company may call a Meeting of the Board at any time, and shall call such a Meeting if required to do so by at least 25% (twenty five percent) of the Directors where the Board has 12 (twelve) Members or more, or more than 2 (two) Directors in any other case. *Section 73(1)(a)(b)*

- (2) The Directors of the Company convening a Board Meeting may determine the location of the Meeting, including the location of a Meeting which has been adjourned, provided that the location shall be the Registered Office of the Company or a suitable venue in the Republic of South Africa which is reasonably accessible to each Director.
- (3) In terms of the Act and this Memorandum of Incorporation, the authority of the Board to conduct a Meeting entirely by electronic communication, or to provide for participation in a Meeting by electronic communication, is not limited or restricted by this Memorandum of Incorporation.

The electronic communication facility employed by the Company must ordinarily enable all persons participating in that Meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the Meeting.
Section 73(3)

A Resolution adopted by Directors, some or all of whom were connected electronically, where:

- (3.1) Directors connected electronically remained connected for the duration of that part of the Meeting when the Resolution was discussed;
- (3.2) the subject matter of the Resolution has been discussed; and
- (3.3) the Chairman of the Meeting or any other Director present in person or electronically certifies in writing that the aforementioned requirements have been met;

shall be deemed to have been passed on the date on which the Resolution was adopted.

Within 10 (ten) business days after the adoption or failing of a Resolution at a Meeting or where some or all of the Directors were connected and participated electronically in terms of this clause the Company shall:

- (3.4) deliver to each Director of the Company a copy of the Resolution proposed, accompanied by a statement describing the results of the vote; and
- (3.5) insert a copy of the Resolution proposed and statement in the minute book of the Company.

A Director who participated in a Meeting at any time electronically in terms of this article shall be deemed to be present at the Meeting in question, and counted towards a quorum, while so participating.

The Board determines the manner, form and time of providing notice of its Meetings as set out in section 73(4) and is not limited or restricted by this Memorandum of Incorporation. The Directors may meet together for the dispatch of business, adjourn or otherwise regulate their Meetings as they see fit, subject to the provisions of the Act and this Memorandum of Incorporation.

In terms of item 11(2) of Schedule 5, a notice given by any person to another person in terms of any provision of the previous Act, shall be considered as notice given in terms of any comparable provision of the Act, as from the date that the notice was given under the previous Act. *Section 73(4)(a)(b)*

- (4) If all of the Directors of the Company acknowledge actual receipt of the notice, are present at a Meeting, or waive notice of the Meeting, the Meeting may proceed even if the Company failed to give the required notice of that Meeting, or there was a defect in the giving of the notice. *Section 73(5)(b)(c)(d)(e)*
- (5) In terms of the Act and this Memorandum of Incorporation, minutes of Board and Board Committee Meeting must include all Resolutions adopted by the Board or Board Committees, as the case may be, and must include all declarations of personal financial interests given by notice or made by a Director in terms of section 75. *Section 73(6)*

- (6) Each Resolution adopted by the Board must be dated and sequentially numbered and are effective as of the date of the Resolution, unless the Resolution states otherwise. *Section 73(7)(a)*
- (7) Signature of the minutes or of a Resolution by the Chair of the Meeting (or by the Chair of the next Meeting) is evidence of the proceedings of that Meeting, or adoption of the Resolution, as the case may be.

An extract from such minutes or extract from any Resolution in writing, if signed by any Director or the Company Secretary, shall be evidence of the matters stated in such minutes or extract. *Section 73(8)*

3.8 Board Quorum

- (1) A Board Meeting may not begin unless the majority of the Directors are present in terms of section 73(5)(b).

A matter to be decided at the Board Meeting may not begin to be considered unless the majority of the Directors are present.

For purposes of counting a quorum at any time, a Director or his alternate who is personally present at the Meeting, or who participates in person electronically in terms of Article: Board, Directors and Prescribed Officers Board Meeting at that time, shall be counted towards a quorum at that time.

A person whose election as Director including as an alternate Director is a nullity in terms of section 66(6), or who ceases to be a Director in terms of section 70, shall not be counted towards any quorum of Directors.

3.9 Board Resolutions

- (1) The Board may propose any Resolution to be considered by Members and may determine whether that Resolution will be considered and voted on at a Meeting of Members or by Round-Robin Resolution. *Section 65(2)*
- (2) Each Director has 1 (one) vote on a matter before the Board in terms of section 73(5)(c) except that:
 - (2.1) a Director whose ineligibility to serve as a Director has been determined in terms of this Memorandum of Incorporation, shall not have a vote in respect of that matter in terms of section 71(3);
 - (2.2) a Director who has been suspended in terms of section 70(2) shall not have a vote on any matter before the Board;
 - (2.3) a Director who has a personal financial interest in respect of a matter to be considered by the Board or who knows that a related person has a personal financial interest in the matter in terms of section 75(4) or 75(5), shall not have a vote in respect of that matter in terms of section 75(5)(f)(ii).

A majority of the votes of the Directors present and entitled to exercise and exercising their vote on a matter is sufficient to approve a Board Resolution, provided that there is at least a quorum of Directors present and so exercising their votes on a matter.

An abstention from Voting shall not be counted as an exercise of a vote, and shall in terms of section 73(5)(d) be disregarded for purposes of calculating whether or not a majority has been obtained.

If a Resolution of the Directors has failed because of a tie contemplated in this clause, the Board or any Director of the Company or any registered Member may refer the matter to the Members for the Members to resolve and facilitate the breaking of any deadlock at Director level, failure of which by the Members and/or Directors shall not constitute grounds for the winding-up of the Company except in terms of section 81(1)(d), subject to section 81(2).

The vote of any person whose election as a Director, including as an alternate Director is a nullity in terms of section 66(6), or who ceases to be a Director in terms of section 70, shall not with effect from the time that vote is cast be counted towards any vote of Directors.

A Director unable to attend a Board or Board Committee Meeting may, notwithstanding that this Director has an alternate, authorise any other Director to vote for him at that Meeting, and in the event that the Director so authorised shall have a vote for each Director by whom he is so authorised in addition to his own vote. If both the Directors so authorised and an alternate of the Director who granted the authority, are present at the Meeting, the alternate shall not be entitled to vote in the place of the absent Director. Authority in terms of this clause must be in writing and must be handed to the person presiding at the Meeting at which it is to be used.

(3) A Resolution that could be voted on at a Board Meeting other than a Board Resolution that the Company voluntarily begin Business Rescue Proceedings and place the Company under supervision in terms of section 129(1), may instead of being voted on at a Meeting be:

(3.1) submitted by the Directors proposing the Resolution for consideration to each Director in terms of section 74(1);
and

(3.2) voted on in writing by Directors entitled to exercise Voting rights on that matter within 10 (ten) business days after the Resolution was submitted to them.

A Resolution will have been adopted as a Board Resolution if it has been supported in writing by the requisite majority of the Directors in person or their alternates who are entitled to exercise Voting rights on the Resolution proposed, and, if so adopted, such a Resolution will have the same effect as if it had been adopted at a quorate Board Meeting. *Section 74(1)(2)*

A Round-Robin Resolution of Directors shall be deemed to have been passed on the date specified in the Resolution as the effective date of the Resolution provided that the effective date is not a date earlier than the date the Resolution was submitted to Directors for their consideration and, if deemed fit, adoption or, failing any such effective date being specified in the Resolution, shall be deemed to have been passed on the date on which the Resolution was approved in writing by the last of the Directors or their alternates entitled to do so.

Within 10 (ten) business days after the adoption or failing of a Round-Robin Resolution, the Company shall:

(3.3) deliver to each Director a copy of the Resolution proposed, accompanied by a statement describing the results of the vote; and

(3.4) insert a copy of the Resolution and statement in the minute book of the Company.

3.10 Directors acting other than at Meeting

(1) A decision that could be voted on at a Meeting of the Board of the Company may instead be adopted by written consent of a majority of the Directors, given in person or by electronic communication, provided that each Director has received notice of the matter to be decided. *Section 74(1)*

(2) A decision made in the manner in terms of this Article is of the same effect as if it had been approved by Voting at a Meeting. *Section 74(2)*

3.11 Register of Directors

(1) Dreamcatcher South Africa (NPC) must establish and maintain a record of its Directors, including all the details about each Director (including that Director email address) required in terms of and for the period stipulated in the Act and the Companies Regulations in a register of Directors in terms of section 24(3)(b), section 24(5) and regulation 23.

(2) For purposes of the Act and in relation to the register of Directors required to be kept by the Company in terms of section 24(3)(b), a Director is defined in section 1 to mean:

(2.1) a Member of the Board, being a person previously appointed in terms of the Companies Act 1973 or elected as a Director of the Company in terms of the Act;

(2.2) an alternate Director for a Member of the Board;

(2.3) any person, if any, occupying the position of Director or alternate Director but by whatever name designated;

and accordingly, the prescribed details of each such person is required to be included by the Company in the register of Directors of the Company.

3.12 Director

(1) Dreamcatcher South Africa (NPC) shall not, directly or indirectly, pay any portion of its income or transfer any of its assets, regardless of how the income or asset was derived, to any person who is or was an incorporator of the Company, or who is a Member or Director, or person appointing a Director, of the Company, except:

(1.1) as reasonable remuneration for goods delivered or services rendered to, or at the direction of the Company; or payment of, or reimbursement for, expenses incurred to advance a stated object of the Company, and to enable it to achieve its objectives;

(1.2) as a payment of an amount due and payable by the Company in terms of a *bona fide* agreement between the Company and that person or another;

(1.3) as a payment in respect of any rights of that person, to the extent that such rights are administered by the company in order to advance a stated object of the Company; or

(1.4) in respect of any legal obligation binding on the Company. *Item 1(3) of Schedule 1 of the Act and section 122(b) of Act 3 of 2011*

(2) In the event that Dreamcatcher South Africa (NPC) qualifies as Public Benefit Organisation, the Commissioner may, for the purposes of the Income Tax Act, approve the Company as a Public Benefit Organisation subject to the Commissioner been satisfied that:

(2.1) the Commissioner was not knowingly a party to, or does not knowingly permit, or has not knowingly permitted, itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is or was the reduction, postponement or avoidance of liability for any tax, duty or levy which, but for such transaction, operation or scheme, would have been or would have become payable by any person under this Act or any other Act administered by the Commissioner (*section 30(3)(c) of the Income Tax Act*);

(2.2) Dreamcatcher South Africa (NPC) has not and will not pay any remuneration, as defined in the Fourth Schedule of the Income Tax Act, to any employee, office bearer, member or other person which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered and has not and will not economically benefit any person in a manner which is not consistent with its objects (*section 30(3)(d) of the Income Tax Act*);

(2.3) Dreamcatcher South Africa (NPC) complies with such reporting requirements as may be determined by the Commissioner (*section 30(3)(e) of the Income Tax Act*);

- (2.4) the Commissioner is satisfied that, in the case of any Public Benefit Organisation which provides funds to any association of persons contemplated in paragraph 10(iii) of Part I of the Ninth Schedule, has taken reasonable steps to ensure that the funds are utilised for the purpose for which it has been provided;
- (2.5) Dreamcatcher South Africa (NPC) does not participate in any tax-avoidance schemes, and is not party to or permit itself to be used for any transaction, operation or scheme, the sole or main purpose of which is or was to reduce, postpone or avoid any tax, duty or levy which would otherwise have been or would have become payable by any person under the Act or under any other Act administered by the Commissioner. These taxes, duties or levies include, for example, income tax (including capital gains tax), value-added tax, transfer duty, skills *(section 30(3)(f) of the Income Tax Act)*;
- (2.6) Dreamcatcher South Africa (NPC) has, within such period as the Commissioner may determine, been registered in terms of section 13(5) of the Non-profit Organisations Act, Act 71 of 1997, and complied with any other requirements imposed in terms of that Act, unless the Commissioner in consultation with the Director of Non-profit Organisation designated in terms of section 8 of the Non-profit Organisations Act, 1997, on good cause shown, otherwise directs *(section 30(3)(g) of the Income Tax Act)*; and
- (2.7) has not and will not use its resources directly or indirectly to support, advance or oppose any political party *(section 30(3)(h) of the Income Tax Act)*

3.13 Financial Assistance

- (1) Dreamcatcher South Africa (NPC) is prohibited from providing a loan to, securing a debt or obligation of, or otherwise provide direct or indirect financial assistance to, a Director of the Company or of a related or inter-related company, or to a person related to any such Director. *Item 5(3) of Schedule 1*
- (2) This Memorandum of Incorporation does not limit, restrict or qualify the said financial assistance, loan or securing a debt or obligation if it is in the ordinary course of business and for fair value; constitutes an accountable advance to meet legal expenses in relation to a matter concerning the Company or anticipated expenses to be incurred by the person on behalf of the Company, is to defray the petitioned request; or is in terms of an employee benefit scheme generally available to all employees or a specific class of employees. *Item 5(4) of Schedule 1 of the Act and section 122(a) of Act 3 of 2011*

3.14 Directors Personal Financial Interests

- (1) No Director or Member may directly or indirectly have any personal or private interest in the Company and the Company is prohibited in terms of this Memorandum of Incorporation from having a share or other interest in any business, profession or occupation which is carried on by its Directors or Members.

3.15 Standards of Conduct

- (1) In this clause, Director includes alternate Director and a Prescribed Officer or a person who is a Member of a Committee of a Board of the Company or of the Audit Committee of the Company, if applicable, irrespective of whether or not the person is also a Member of the Company. *Section 76(1)(a)(b)*
- (2) A Director of the Company shall not use the position of Director, or any information obtained while acting in the capacity of a Director to gain an advantage for the Director or for another person other than the Company or a wholly-owned subsidiary of the Company or to knowingly cause harm to the Company or a subsidiary of the Company and communicate to the Board at the earliest practicable opportunity any information that comes to the Director reasonably believes that the information is immaterial to the Company or generally available to the public, or known to the other Directors; or is bound not to disclose that information by a legal or ethical obligation of confidentiality. *Section 76(2)(a)(i)(ii) and section 76(2)(b)(i)(ii)*

- (3) A Director of the Company shall exercise the powers and perform the functions of Director in good faith and for a proper purpose, in the best interests of the Company and with the degree of care, skill and diligence that may reasonably be expected of a person, carrying out the same functions in relation to the Company as those carried out by that Director, and having the general knowledge, skill and experience of that Director. *Section 76(3)(a)(b) and section 76(3)(c)(i)(ii)*
- (4) In respect of any particular matter arising in the exercise of the powers or the performance of the functions of Director in terms of in the best interest of the Company and with the necessary degree of care, skill and diligence of that Director:
- (4.1) the Director shall take reasonably diligent steps to become informed about the matter;
- (4.2) the Director has no material personal financial interest in the subject matter of the decision, and has no reasonable basis to know that any related person has a personal financial interest in the matter; or
- (4.3) the Director shall disclose any personal financial interest in advance to either the Board, with regard to that matter, and the Director has a rational basis for believing and shall believe, that the decision was in the best interests of the Company and is entitled to rely on:
- (4.3.1) the performance by 1 (one) or more employees of the Company whom the Director reasonably believes to be reliable and competent in the functions performed or the information, opinions, reports or statements provided;
- (4.3.2) legal counsel, accountants or other professional persons retained by the Company, the Board or a Committee as to matters involving skills or expertise that the Director reasonably believes are matters particular person merits confidence. *Section 76(4)(a)(i)-(iii), section 76(4)(b)(i)(ii), section 76(5)(a), section 76(5)(b)(i)(ii) and section 76(5)(c)*

3.16 Indemnification and Director

- (1) In terms of the Act and this Memorandum of Incorporation the authority of the Company to purchase market related insurance to protect the Company or a Director, as contemplated in section 78(7) in the Act, is not limited, restricted or extended by this Memorandum of Incorporation, giving authority to the Company to purchase insurance to protect a Director against any liability or expenses for which the Company is permitted to indemnify a Director or the Company against any contingency including, but not limited, to any expenses that the Company is permitted to advance or for which the Company is permitted to indemnify a Director.
- Dreamcatcher South Africa (NPC) may purchase insurance to protect the Company or a Director as set out in section 78(7) of the Act, and the power of the Company in this regard is not limited, restricted or extended by this Memorandum of Incorporation.
- (2) Dreamcatcher South Africa (NPC) shall be entitled to claim restitution from a Director of the Company or of a related Company for any money paid directly or indirectly by the Company to or on behalf of that Director, in any manner inconsistent with this clause of this Memorandum of Incorporation. *Section 78(8)*
- (3) Dreamcatcher South Africa (NPC) is prohibited from indemnifying a Director, a Prescribed Officer, a person who is a member of a Board Committee or of the Audit Committee (if applicable) of the Company, irrespective of whether or not the prescribed in respect of:
- (3.1) any fine that may be imposed on a Director of the Company or on a Director of a related company, as a consequence of that Director having been convicted of an offence unless a single individual is the sole Member and sole Director of the Company, or if 2 (two) or more related individuals are the only Members of the Company and there are no Directors of the Company other than 1 (one) or more of those individuals;

- (3.2) a duty contemplated in section 75 relating to the disclosure requirements in financial interests;
- (3.3)
- (3.4) any legal consequence arising from an act or omission which constitutes wilful misconduct or wilful breach of trust on the part of the Director;
- (3.5) liability of Directors and Prescribed Officers is contemplated in section 77(3) relating to the following:
 - (3.5.1) acted in the name of the Company, signed anything on behalf of the Company or purported to bind the Company or authorise a taking of any action by or on behalf of the Company, despite knowing that the Director lacked the authority to do so;
 - (3.5.2) a manner prohibited by section 22(1), in terms of reckless trading;
 - (3.5.3) been a party to an act or omission by the Company despite knowing that the act or omission was calculated to defraud a creditor, employee or Member of the Company, or had another fraudulent purpose. *Section 78(2)(a)(b), section 78(6) and section 77(3)(a)(b)(c)*

(4)

ARTICLE 4 TRANSPARENCY, ACCOUNTABILITY AND INTEGRITY OF THE COMPANY

4.1

- (1) In terms of the Act and this Memorandum of Incorporation, no person, other than a Director and every holder of a beneficial interest in this Company, shall have any right to inspect any accounting records or document of the Company, except the right to do so as conferred by the Companies Act or as authorised by the Board or as authorised by an Ordinary Resolution of the Members or as permitted in terms of this clause of this Memorandum of Incorporation.

The accounting records shall be kept at or be accessible from its Registered Office. The accounting records shall be open to inspection by any of the Directors at any time. The Directors may from time to time determine whether and to what extent and at what times and places and under what conditions, the accounting records of the Company or any of them shall be open to inspection by holders, not being Directors, and subject to the rights granted to holders in terms of the Companies Act.

The Board may from time to time in its discretion, grant any Member, on such terms and subject to such conditions and for such period(s) as the Board may from time to time determine in writing, the right to access (inspect and/or copy) any information pertaining to the Company, but no such right if conferred may negate or diminish any mandatory protection of any record, as set out in Part 3 of the Promotion of Access to Information Act, No.2 of 2000, as amended, provided further that the confidential information of the Company is adequately safeguarded and protected.

Section 24(5), section 26(1)(2)(3), section 50(3)(b) and Regulation 23

4.2 Financial Year End of the Company

- (1) financial year which is its annual accounting period, ends on a date set out in Notice of Incorporation, subject to any change made in terms of this sub-article.

The first financial year of the Company begins on the date that the incorporation of the Company is registered, as stated in its registration certificate, and ends on the date set out in the Notice of Incorporation, which may not be more than 15 (fifteen) months after the date that the Incorporation of the Company is registered.

The second and each subsequent financial year of the Company begins when the preceding financial year ends; and ends on the first anniversary of the date that the incorporation of the Company is registered, unless the financial year end has been changed in terms of this sub-article. *Section 27(1), section 27(2)(a)(b), section 27(3)(a)(b) and section 27(6)*

- (2) The financial year end of the Company, or any changes to the financial year end, shall be such period or adjusted period as the Members by Ordinary Resolution from time to time approve. The Board, may, with the prior approval of Member by Ordinary Resolution, change the financial year of the Company in terms of section 27(4). *Section 27(4)*
- (3) The Board of the Company may change its financial year end at any time, by filing a notice of that change by filing Form CoR 25, but the Company is prohibited in terms of this Memorandum of Incorporation to do so more than once during any financial year, the newly established financial year end shall be later than the date on which the notice is filed, and the date as changed shall not result in a financial year ending more than 15 (fifteen) months after the end of the preceding financial year. *Section 27(4)(a)(b)*

4.3 Accounting Records of the Company

- (1) In terms of the Act and this Memorandum of Incorporation the Company shall keep accurate and complete accounting records in one of the official languages of the Republic, as necessary to provide an adequate information base sufficient to enable the Company to satisfy all reporting requirements applicable to it, as set out in this sub-article, and to provide for the compilation of Financial Statements.

Dreamcatcher South Africa (NPC) shall maintain the necessary Accounting Records in accordance with section 28 of the Companies Act. *Section 28, section 28(1)(a) and Regulation 25(2)(a)(b)*

- (2) The accounting records shall include a record of any property held by the Company in a fiduciary capacity, or in any capacity or manner contemplated in section 65(2) of the Consumer Protection Act, 2008 (Act No. 68 of 2008) *Regulation 25(3)(b)(i)(ii)*

4.4 Financial Statements and Financial Year

- (1) Financial Statements, including any Annual Financial Statements, shall satisfy the financial reporting standards as to form and content, present fairly the state of affairs and business of the Company, show assets, liabilities and equity, as well as its income and expenses, set out the date on which the statements were published, and the accounting period to which the statements apply, and bear, on the first page of the statements, a prominent notice indicating whether the statements have been audited in compliance with any applicable requirements of this Act, if not audited, have been independently reviewed in compliance with any applicable requirements of this Act, or have not been audited or independently reviewed, and the name, and professional designation, if any, of the individual who prepared, or supervised the preparation of, those statements. *Section 29(1)(a) (d), section 29(1)(e)(i)(aa)(bb)(cc) and section 29(i)(e)(ii)*
- (2) Any Financial Statements prepared by the Company, including any Annual Financial Statements of the Company in terms of Article: Transparency, Accountability and Integrity of the Company Annual Financial Statements of this Memorandum of Incorporation, shall not be false or misleading in any material respect, or incomplete in any material particular, subject only to clause 3 of this sub-article. *Section 29(2)(a)(b)*
- (3) Dreamcatcher South Africa (NPC) is not limited or restricted by this Memorandum of Incorporation to provide any person with a summary of any particular Financial Statements, but any such summary shall comply with any prescribed requirements, and the first page of the summary shall bear a prominent notice stating that it is a summary of particular Financial Statements prepared by the Company, and setting out the date of those statements, stating whether the Financial Statements that it summarises have been audited, independently reviewed, or are unaudited, in terms of clause 1 of this sub-article, stating the name, and professional designation, if any, of the individual who prepared, or supervised the preparation of, the Financial Statements that it summarises, and setting out the steps required to obtain a copy of the Financial Statements that it summarises. *Section 29(3)(a) and section 29(3)(b)(i)-(iv)*
- (4) This Memorandum of Incorporation permits the Company the flexibility to have its Financial Statements internally or independently compiled and reported. In the event that the statements are independently compiled and reported, it should be prepared by an independent accounting professional, on the basis of financial records provided by the Company, and in accordance with any relevant financial reporting standards. *Regulation 26(1)(e)(i)(ii)(iii) and Regulation 27(1)*
- (5) In terms of this Memorandum of Incorporation, any Financial Statements in terms of this sub-article and Article: Transparency, Accountability and Integrity of the Company Accounting Records of the Company, of this Memorandum of Incorporation shall comply with the applicable standards for the category of the Company as follows:
- (5.1) where Public Interest Score for a particular financial year is at least 350 (three hundred and fifty) one of IFRS or IFRS for SMEs provided that the Company meets the scoping requirements outlined in the IFRS for SMEs;
- (5.2) where Public Interest Score for a particular financial year is at least 100 (one hundred) but less than 350 (three hundred and fifty) one of IFRS or IFRS for SMEs provided that the Company meets the scoping requirements outlined in the IFRS for SMEs;

(5.3) where Public Interest Score for a particular financial year is less than 100 (one hundred) and whose statements are internally compiled, the Financial Reporting Standards as determined by the Company for as long as no Financial Reporting Standards is prescribed.

In terms of the International Financial Reporting Standards as issued from time to time by the International Accounting Standards Board or its successor body, and, as issued from time to time by the International Accounting Standards Board or its successor body. *Regulation 27(4)(5)*

- (6) The Directors shall, in accordance with sections 30 and 31 of the Companies Act, cause to be prepared and laid before the Company at its Annual General Meeting its audited or independently reviewed Financial Statements, subject to the Article: Transparency, Accountability and Integrity of the Company Annual Financial Statements, not less than 10 (ten) business days before the date of any Annual General Meeting, a summarised form of the Financial Statements to be presented at such Meeting and directions for obtaining a copy of the complete Financial Statements for the preceding financial year shall be sent to every Member, subject and in accordance with the provisions of the Companies Act and this Memorandum of Incorporation. Nothing contained in this clause, shall impose a duty on the Directors to send copies of such documents to any person whose address is not known to the Company.

If a Member requests a copy of the Annual Financial Statements, the Company shall make same available to such Member free of charge.

4.5 Annual Financial Statements

- (1) **[This clause is here when the Annual Financial Statements are to be audited as required by Board determination]** The Annual Financial Statements shall be prepared in accordance with the provisions of section 30(2)(b)(ii) of the Act and section 20(c) of Act 3 of 2011 and be audited voluntarily as required by Board Resolution, resulting in a non-statutory audit and the Annual Financial Statements shall be audited by the Auditor appointed in terms of this Memorandum of Incorporation.

Since the Company voluntarily elects an audit by Board Resolution, section 90 (prohibitions on Auditor), section 91 (resignation of Auditor), section 92 (rotation of Auditor) and section 93 (restricted functions of an Auditor) do not apply.

- (2) **Annual Financial Statements are to be audited]**An Auditor must be appointed upon incorporation if the requirements to have its Annual Financial Statements audited applies when it is incorporated, or at the General Meeting at which the requirements to have its Annual Financial Statements audited first applies to the Company, and at each General Meeting thereafter.

Any Auditor so appointed must be a Registered Auditor. If the Company appoints a firm as its Auditor, any change in the composition of the Members of that firm shall not by itself create a vacancy in the office of Auditor. *Section 90(1A) and section 90(2)*

- (3) **Annual Financial Statements are to be audited]**The audited Annual Financial Statements shall be prepared on a basis that is not inconsistent with any unalterable or non-elective provision of the Act and shall:

(3.1) satisfy as to form and content, the financial reporting standards of IFRS; and

(3.2) subject to and in accordance with IFRS:

(3.2.1) present fairly the state of affairs and business of the Company and explain the transactions and financial position of the business of the Company;

- (3.2.2) show assets, liabilities and equity, as well as its income and expenses;
 - (3.2.3) set out the date on which the statements were produced and the accounting period to which they apply; and
 - (3.2.4) bear on the first page thereof a prominent notice indicating that the Annual Financial Statements have been audited as a non-statutory audit and the name and professional designation of the person who prepared them.
- (4) The Annual Financial Statements of the Company shall be approved by the Board, be signed by an authorised Director and *Section 30(3)(d) of the Act and section 55 of Act 3 of 2011*

4.6 Appointment of Auditor

- (1) [The clauses in this sub-article apply when the Annual Financial Statements are required to be audited] Dreamcatcher South Africa (NPC) is a Non-Profit Company and although it is not required by the Companies Act to comply with the extended accountability requirements in terms of Chapter 3 of the Act, the Company is subject to the appointment of an Auditor in terms of the extended accountability and transparency requirements of Chapter 3 of the Companies Act and the Companies Regulations. *Section 34(1) and section 34(2), Part A, Chapter 3*
- (2) This Memorandum of Incorporation requires the Company to appoint an Auditor.
- (3) Provided that no person who is ineligible (other than by virtue of being a juristic person) or disqualified from serving as a Director of the Company in terms of section 69(7) or (8) shall be appointed as the Auditor. *Section 34(2), section 84(1)(c)(ii), sections 86-89, section 94 and Part A, Chapter 3*
- (4) Dreamcatcher South Africa (NPC) shall appoint a person or a firm as an Auditor of the Company and the individual determined by that firm shall be a Registered Auditor. *Section 90(2)(a)*
- (5) [The clauses in this sub-article apply when the Company appoints an Auditor, or when the Annual Financial Statements are required to be audited] Dreamcatcher South Africa (NPC) prohibits in terms of this Memorandum of Incorporation to appoint any of the following persons as an Auditor of the Company:
- (5.1) a Director or Prescribed Officer of the Company;
 - (5.2) an employee or consultant of the Company who was or has been engaged for more than 1 (one) year in the maintenance of any of financial records or the preparation of any of its Financial Statements;
 - (5.3) a Director, Prescribed Officer or employee of a person appointed as Company Secretary;
 - (5.4) a person who, alone or with a partner or employees, habitually or regularly performs the duties of accountant or bookkeeper, or performs related secretarial work for the Company;
 - (5.5) a person who, at any time during the 5 (five) financial years immediately preceding the date of appointment, was any of the persons abovementioned or a person related to any of the persons abovementioned. *Section 90(2)(b)(i)-(vi)*

4.7 Annual Return

- (1) Dreamcatcher South Africa (NPC) shall file its annual return in Form CoR 30.1 together with the prescribed fee set out in Table CR 2B, unless exempt from such payment in terms of Regulation 30(8), within 30 (thirty) business days after each anniversary of its date of incorporation, in the case of a Company that was incorporated in the Republic, in compliance with

section 33(1) of the Act read with Regulation 30, or the date that its registration was transferred to the Republic, in the case of a domesticated Company, including in that return a copy of its Annual Financial Statements, if it is required to have such statements audited in terms of Article: Transparency, Accountability and Integrity of the Company Annual Financial Statements Memorandum of Incorporation (section 30(2) and (7) or the Regulations of the Act). *Section 33(1)(a)(b) and Regulation 30(1)(a)*

- (2) In the event that Dreamcatcher South Africa (NPC) is required in terms of this Memorandum of Incorporation and Regulation 28 to have its Annual Financial Statements audited, it must file a copy of the latest approved audited Financial Statements on the date that it files its annual return. *Regulation 30(2)*
- (3) In the event that the Company is not required in terms of this Memorandum of Incorporation or Regulation 28 to have its Annual Financial Statements audited, it may file a copy of its reviewed Financial Statements on the date that it files its annual return. *Regulation 30(3)*
- (4) In the event that Dreamcatcher South Africa (NPC) has been inactive during the financial year preceding the date on which its annual return becomes due in terms of clause 1 of this sub-article of this Memorandum of Incorporation, the Company may apply to the Commission for exemption from payment of the prescribed fee in terms of clause 1 of this sub-article of this Memorandum of Incorporation, provided that the application is supported by the Financial Statements indicating that the Company had in fact no turnover during that financial year. *Regulation 30(8)*

ARTICLE 5 FUNDAMENTAL TRANSACTIONS

5.1 Disposals, Mergers and Amalgamations

- (1) Dreamcatcher South Africa (NPC) is prohibited from amalgamating or merging with, or converting to a Profit Company; or disposing any part of its assets, undertaking or business to a profit Company, other than for fair value, except to the extent that such a disposition of an asset occurs in the ordinary course of the activities of the Company. *Item 2(1)(a)(b) of Schedule 1*
- (2) Any proposal to dispose of all or the greater part of its assets or undertaking or amalgamate or merge with another Non-Profit Company shall be submitted to the Voting Members for approval. *Item 2(2)(a)(b) of Schedule 1*
- (3) Meeting to consider a Resolution to approve a disposal shall be delivered at least 10 (ten) business days before the date on which the Meeting is to begin and in the prescribed manner, to each Member of the Company and include a written summary of the terms of the transaction to be considered at the Meeting. *Section 112(3)(a)(b)*
- (4) The Resolution shall be effective only to the extent that it authorises a specific transaction. *Section 112(5) of the Act and section 69(b) of Act 3 of 2011*
- (5) A proposed transaction shall be approved by a Special Resolution adopted by persons entitled to exercise Voting rights on such a matter, at a Meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% (twenty five percent) of all of the Voting rights that are entitled to be exercised on that matter as required by the
- (6) Memorandum of Incorporation and by a Special Resolution by the Members of holding Company if the holding Company is a Company or an external Company; the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and having regard to the consolidated Financial Statements of the holding Company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding Company. *Section 115(2)(a)(b) and section 71(b)(c) of Act 3 of 2011*
- (7) Any part of the undertaking or assets of the Company to be disposed of shall be fairly valued at the date of the proposal. *Section 112(4)*
- (8) After a Resolution approving an amalgamation or merger has been adopted by each Company that is a party to the agreement, each of the amalgamating or merging companies shall cause a notice of the amalgamation or merger to be given in the prescribed manner and form to every known creditor of that Company but does not apply to a Company engaged in Business Rescue Proceedings, in respect of any transaction pursuant to or contemplated in Business Rescue Plan. *Section 116(1)(a) and section 116(2)*
- (9) A notice of amalgamation or merger shall be filed with the Commission and shall include confirmation that the amalgamation or merger has satisfied the requirements of the Companies Act; has been approved in terms of the Companies Act, if so required by that Act; has been granted the consent of the Minister of Finance in terms of section 54 of the Banks Act, if so required by that Act and is not subject to further approval by any regulatory authority; or any unfilled conditions imposed by or in terms of any law administered by a regulatory authority; and the Memorandum of Incorporation of any Company newly incorporated in terms of the agreement. *Section 116(4)(a)(b)*
- (10) An amalgamation or merger takes effect in accordance with, and subject to any conditions set out in the amalgamation or merger agreement; does not affect any existing liability of a party to the agreement, or of a Director of any of the amalgamating or merging companies, to be prosecuted in terms of any applicable law; civil, criminal or administrative action or proceeding pending by or against an amalgamating or merging Company, and any such proceeding may continue to be prosecuted by or against any amalgamated or merged Company; or conviction against, or ruling, order or judgment in favour of or against, an amalgamating or merging Company, and any such ruling, order or judgment may be enforced by or against any amalgamated or merged Company. *Section 116(6)(a)(b) of the Act and section 72(c) of Act 3 of 2011*

- (11) When an amalgamation or merger agreement has been implemented the property of each amalgamating and merging Company becomes the property of the newly amalgamated or surviving merged Company or Companies; and each newly amalgamated, or surviving merged Company is liable for all the obligations of every amalgamating or merging Company, in accordance with the provisions of the amalgamation or merger agreement, or any other relevant agreement, but subject to section 116(7)(a) and (b) substituted by section 72(d) of Act 3 of 2011.
- (12) If, as a consequence of an amalgamation or merger, any property that is registered in terms of any public regulation is to be transferred from an amalgamating or merging Company to an amalgamated or merged Company, a copy of the amalgamation or merger agreement, together with a copy of the filed notice of amalgamation or merger, constitutes sufficient evidence for the keeper of the relevant property registry to effect a transfer of the registration of that property.
Section 116(8)
- (13) If, with respect to a transaction involving a Company that is regulated in terms of the Banks Act, there is a conflict between this sub-article and a provision of section 54 of that Act, the provisions of that Act prevail. *Section 116(9)*

ARTICLE 6 DISSOLUTION AND DISTRIBUTION OF NET VALUE OF COMPANY

6.1 Winding-Up or Dissolution

- (1) Despite any provision in any law or agreement to the contrary, upon the winding-up or dissolution of the Company, no past or present Member or Director of the Company or person appointing a Director of the Company is entitled to any part of the net value of the Company after its obligations and liabilities have been satisfied and the entire net value of the Company shall be distributed to 1 (one) or more Non-Profit Companies, registered external Non-Profit Companies carrying on activities within the Republic, voluntary associations or non-profit trusts having objects similar to its main object; and as determined in terms of Memorandum of Incorporation or by its Members or its Directors at or immediately before the time of its dissolution or by the court, if this Memorandum of Incorporation by its Members or its Directors, at or immediately before the time of its dissolution, failing such determination, in terms of the provisions of the Companies Act 2008 or by order of Court. *Item 1(4)(a)(b) of Schedule 1*
- (2) Any Resolution for the winding-up or deregistration of the Company shall be approved by the Commissioner of the South African Revenue Service.

On dissolution or liquidation the excess funds and remaining assets of the Company shall be transferred to 1 (one) or more of the following:

- (2.1) a similar organisation incorporated or established in the Republic of South Africa which has been approved as a Public Benefit Organisation in terms of section 30(3) of the Income Tax Act (*section 30(3)(b)(iii)(aa) of the Income Tax Act*);
- (2.2) an organisation established under any law which is exempt from Tax in terms of section 10(1)(cA)(i) of the Income Tax Act whose sole or principal object is the carrying on of an approved public benefit activity (*section 30(3)(b)(iii)(bb) of the Income Tax Act*);
- (2.3) a department of State of Administration in the National, Provincial or Local sphere of Government of South Africa, contemplated in section 10(1)(a) of the Income Tax Act which is required to use those assets solely for purposes of carrying on 1 (one) or more public benefit activities (*section 30(3)(b)(iii)(cc) of the Income Tax Act*).

ARTICLE 7 COMPANY SIGNATURE

7.1 Company Signature

- (1) All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, shall be made, signed, drawn, accepted and endorsed, or otherwise executed by a person or persons from time to time authorised by a Resolution of the Board of Directors.

- (2) The signature to any notice given by the Company may be:
 - (2.1) written or printed, or partly written and partly printed (section 6(12) of the Act);

 - (2.2) effected in any manner provided for in the Electronic Communications and Transactions Act (ECTA). *Section 6(12)(a) of the Act and section 13 of the ECTA*

SCHEDULE 1 NUMBER OF DIRECTORS

Dreamcatcher South Africa (NPC) has the prescribed minimum number of Directors, being 3 (three) at all times.

Dreamcatcher South Africa (NPC) has 5 (five) Director(s) at the date of adoption of this Memorandum of Incorporation.