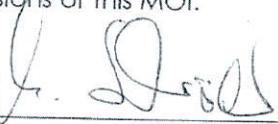


**MEMORANDUM OF INCORPORATION OF
HANGBERG PRE-PRIMARY SCHOOL NPC
(COMPANY REGISTRATION 2015/391883/08)**
(hereinafter referred to as "the Company")

RECORDAL:

1. Hangberg Educational Trust with Master's Reference Number IT1394/2012, (hereinafter referred to as "the Trust") entered into a Joint Venture Agreement (hereinafter referred to as "the Agreement") with Sentinel Primary School with EMIS Number 0105 313 033 (hereinafter referred to as "the School") with effect from 1 January 2015.
2. The Agreement regulates the obligations of the parties, being the Trust and the School vis-a-vis each other, in relation to the development and operation of the Centre.
3. The Trust established the Company as a non-profit company in terms of the Companies Act to govern the Centre.
4. This MOI has been adopted by the Board in accordance with section 16(3) of the Companies Act after having passed the requisite resolutions. The Trust, by its signature to this MOI below, consents to its Membership of the Company and agrees to the adoption of this MOI, to the extent necessary, and to be bound by the provisions of this MOI.

Signature: 

Date: 19. Sep. 2016

for the trustees for the time being of the Hangberg Educational Trust



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A set of three handwritten signatures in black ink. The top signature is a stylized 'B' followed by 'J' and 'Johann'. Below it is a signature that appears to be 'CJ'. The bottom signature is a cursive 'CD'.

INTERPRETATION:

Interpretation of this MOI, unless otherwise indicated or provided, or the context otherwise requires, is as follows:

- a) capitalised terms used in this MOI shall have the meanings ascribed to them in the Glossary attached to this MOI as Annexure A;
- b) a reference to a section by number refers to the corresponding section of the Companies Act;
- c) to the extent that terms are used in this MOI that are not defined herein, such words shall bear the same meaning in this MOI as ascribed to them in the Companies Act;
- d) any annexures if any, attached to this MOI form part of this MOI;
- e) words importing:

- (i) any one gender include the other genders;
 - (ii) the singular include the plural and vice versa; and
 - (iii) natural persons include created entities (corporate or unincorporated) and the state and vice versa;
- f) where any term is defined within the context of any particular Article in this MOI, the term so defined, unless it is clear from the Article in question that the term so defined has limited application to the relevant Article, shall bear the meaning ascribed to it for all purposes in terms of this MOI, notwithstanding that that term has not been defined in this interpretation Article;
- g) where any number of days is prescribed in this MOI, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday, in which case the last day shall be the next Business Day;
- h) where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail;

- i) the expiration or termination of this MOI shall not affect such of the provisions of this MOI as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the Articles themselves do not expressly provide for this;
- j) any reference in this MOI to the Company or any one or more Members, as the case may be, shall if the Company or any one or more Members, as the case may be, is put under business rescue, liquidated or sequestered, be applicable also to and binding upon the Company's or the relevant Members, as the case may be, business rescue practitioner, liquidator or trustee, as the case may be; and
- k) any reference to a statute shall be a reference to such statute as at the date of the adoption of this MOI by the Company and as amended from time to time thereafter.

1. ARTICLE 1 - INCORPORATION AND NATURE OF COMPANY

1.1. INCORPORATION

1.1.1 The Company is incorporated as a non-profit company in terms of the Companies Act, with effect from 3 November 2015. The Company is a non-profit company with members, as contemplated in item 1 (1) of Schedule 1 to the Companies Act, with the Trust as the sole member of the Company as at the date of adoption of this MOI.

1.1.2 The registration of the Centre and its activities will be in terms of the Non-Profit Organisations Act (Act No. 71 of 1997), the National Welfare Act (No. 100 of 1978), and the registration of an Independent School per the South African Schools Act No 84 of 1996 and any other required registrations from time to time.

1.1.3 The Company is constituted in accordance with, and governed by:-
1.1.3.1 the unalterable provisions of the Companies Act 2008 that are applicable to non-profit companies (subject to any higher standards, greater restrictions, longer periods of time or more onerous requirements set out in this MOI in accordance with section 15(2)(c)(iii) of the Companies Act);

1.1.3.2 the alterable provisions of the Companies Act that are applicable to non-profit companies (subject to any negation, restriction, limitation, qualification, extension or other alteration set out in this MOI in accordance with section 1 read with 15(2)(a)(ii) of the Companies Act); and
the provisions of this MOI .

1.2. OBJECTIVES OF THE COMPANY

1.2.1 The objectives of the Company are to:

- 1.2.1.1 provide independent pre-primary school education to Learners in accordance with section 29(3) and (4) of the Constitution of South Africa and as defined in the South African Schools Act, No 84 of 1996, as amended, consolidated or re-enacted from time to time;
- 1.2.1.2 promote the welfare of the pre-school child by propagating the need for efficient child care among the parents of children enrolled at the Centre as well as in the community at large, within which the Centre operates;
- 1.2.1.3 appoint, manage and co-operate with and ensure the required development of appropriately qualified staff which may include special workers, to give the best effect to the above-mentioned aims;
- 1.2.1.4 raise funds and, generally, to generate and properly control income, for the purpose of pursuing the Company's aims and objectives;

1.2.1.5 provide requisite financial management, budgeting and longer term financial strategy oversight to enable the Centre to operate in a financially sound and sustainable manner;

1.2.1.6 maintain the upkeep and safety as well as manage any expansion of the physical facilities;

1.2.1.7 co-operate with others who pursue similar aims and objectives; and

1.2.1.8 engage in any activity or means that may appropriately advance the interest of the Centre,

collectively referred to as the "Objects".

1.2.2 The Company is not subject to any provision contemplated in section 1(2) (b) of (c).

1.3 POWERS OF THE COMPANY

1.3.1 Except to the extent necessarily implied by the Objects and subject to the provisions of this Article 1.3, the Company shall have all the powers and capacity of an individual that are capable of being exercised or possessed by a juristic person.

1.3.2 The Company and the Board shall not engage in, agree to, perform or undertake any acts or matters listed below, except as may be approved or agreed to by special resolution of Members:

1.3.2.1 the amendment of this MOI, including the filing of a consolidated version of the MOI;

1.3.2.2 the ratification of any action by the Company or the Directors that is inconsistent with any limit, restriction or qualification as regards the powers of the Company in this MOI;

the undertaking of any new Object/s outside the scope of,

the Objects of the Company as defined;

any other Objects undertaken by the Company hereafter with the requisite approval hereunder or agreement of the Members;

the conclusion of any contract outside the Company's Objects or reasonably ancillary thereto;

the payment of remuneration to the Directors of the Company for their Services as Directors;

discontinuation or suspension of any of the material Objects of the Company.

1.3.3 The Company may not provide a loan to secure a debt or obligation of, or otherwise provide direct or indirect financial assistance to, a Director or a director of a related or inter-related company ("related" and "inter-related" shall have the meaning ascribed to such terms in the Companies Act), or to a person related to any such director. The foregoing shall not prohibit a transaction if:

1.3.3.1 is in the ordinary course of the Company's business and for fair value;

1.3.3.2 constitutes an accountable advance to meet:

1.3.3.2.1 legal expenses in relation to a matter concerning the Company; or

1.3.3.2.2 anticipated expenses to be incurred by the person on behalf of the Company;

1.3.3.3 is to defray the person's expenses for removal at the Company's request; or

1.3.3.4 is in terms of an employee benefit scheme generally available to all employees or a specific class of employees.

1.3.4 This MOI of the Company may be altered only in the manner set out in section 16, 17 and 152(6)(b) of the Companies Act, subject to the provisions contemplated in Section 16 (1) (c) and this MOI.

2. ARTICLE 2 - MEMBERS AND MEMBERSHIP/MEMBERSHIP

2.1 Members of the Company shall be such persons who are from time to time admitted to Membership, as hereinafter provided, and it is agreed that the Trust shall from the date of the adoption of this MOI be a Member of the Company.

2.1.2 The Company shall at all times have a minimum of one Member.

2.1.3 The Company shall only have one class of Members, being voting Members.

2.1.4 Members may be any person including natural persons, companies or other bodies corporate, or statutory bodies, or partnerships, or associations of persons, who:

2.1.4.1 have objects or are involved in objects similar to the Objects of the Company, as shall be determined by the Directors, acting reasonably in consultation with the existing Members; and

2.1.4.2 are approved as Members by a resolution of the existing Members.

2.1.5 Persons wishing to apply for Membership of the Company shall do so by application to the Directors of the Company in such form as the Directors, acting reasonably and in consultation with the Members, shall from time to time prescribe.

2.1.6 At the next meeting of the Members after the receipt of an application for Membership by the Board, the Board shall submit such application for consideration by the Members, who shall resolve to admit or reject the applicant as a Member, by resolution, subject to Article 2.1.4.

2.1.7 The Members shall not be required to give written reasons for their decision to admit an applicant for Membership or to reject the application.

2.1.8 There shall be no initial or periodic cost of Membership of the Company, unless determined otherwise by resolution of the Directors, acting reasonably, and in consultation with the Members.

2.2 TERMINATION OF MEMBERSHIP

2.2.1 The Directors shall have the power to suspend or terminate a Member's Membership of the Company:

2.2.1.1 if, in the sole discretion of the other Members, acting reasonably, he/she/it is guilty of conduct inimical to the interests and/or Objects of the Company;

2.2.1.2 upon the death of any Member, or upon any Member being declared by a court to be insane or incapable of managing his/her/its own affairs; if he or she is sequestered, surrenders his or her estate, or, being a company or trust, the Member is wound up, placed under judicial management or business rescue proceedings or otherwise dissolved; in the event of non-compliance by a Member with any such obligations as may attach to his/her/its Membership, upon the expiration of a period of 30 days reckoned from the date of written notice by the Company to the Member concerned requiring the remedying of such default in circumstances where such default is not remedied within that period; save that the Board shall be entitled to extend the period of grace allowed to a particular Member to such extent and for such reasons as it may in its sole and absolute discretion deem appropriate and save that the Board shall have the power to reinstate such Member on such terms as the Board may think fit, subject always to Article 2.1.4;

2.2.1.3 if, in the sole discretion of the other Members, acting reasonably, it is inimical to the interests of the Company that he/she/it should continue as a Member of the Company,

provided that in the case of the Members deciding to suspend or terminate a Member's Membership pursuant to clauses 2.2.1.1 and 2.2.1.5, the Directors shall be obliged to suspend or terminate (as the case may be) that Member's Membership.

2.2.1.4

2.2.2 The Directors shall furnish their reasons for suspending or terminating a Member's Membership in terms of Article 2.2.1 to that Member in writing and that Member shall have the right, exercisable by notice in writing to the chairperson of the Board, within 10 days of receipt of those reasons, to be heard by the Board (in the case of a termination of Membership pursuant to clauses 2.2.1.2, 2.2.1.3 or 2.2.1.4) or by the other Members (in the case of a termination of Membership pursuant to clauses 2.2.1.1 or 2.2.1.5) within a period of 15 days after receipt by the chairperson of the Board of such notice.

Within 15 days of the hearing, the Board or the other Members (as the case may be), may, upon such terms if any, as it may deem appropriate, rescind or confirm the suspension or expulsion, or amend it, and until such rescission or confirmation or amendment is made no public announcement within or outside the Company of such suspension or expulsion shall be made.

2.2.3 A Member whose Membership has been terminated shall remain liable for all sums that may at the date of termination of his/her/its Membership be due by him/her/it to the Company (if any) and shall not be entitled to any reimbursement of subscription monies already paid nor have any claim on the Company or its officers, its property or any party related or inter-related to the Company or any officer of the Company ("related" and "inter-related" shall have the meaning ascribed to such terms in the Companies Act).

2.2.4 A Member shall cease to be bound by this MOI from the date on which he/she/it validly ceases to be registered in the Membership Register. For the avoidance of doubt, the termination of the binding nature of this MOI with respect to such exiting Member shall not affect any of his/her/its existing or contingent obligations and liabilities which arose prior to the termination of the binding nature of the MOI in relation to that Member or which may accrue thereafter in respect of any act or omission which occurred prior to such termination.

2.3 TRANSFER OF RIGHTS
A Member shall cease to be in any way transferable or transmissible but all such rights and privileges shall cease upon the Member ceasing to be such.

2.4 MEMBERSHIP REGISTER
2.4.1 Any person who is entitled to have his/her/its name entered into the Membership Register of the Company shall provide the Company with all the information it may require from time to time for purposes of establishing and maintaining the Membership Register, including the name, business address, residential address, postal address and available e-mail address of that person.

2.4.2 Any person contemplated in Article 2.4.1, may by written notice to the Company change the business address, residential address, postal address and available e-mail address of that person, provided that the change shall become effective vis-à-vis that person on the 10th Business Day from the receipt of the notice by the Company.

3 ARTICLE 3 - MEETINGS OF MEMBERS Any Director may in terms of section 6(1) of the Companies Act, call a Members' meeting at any time.

3.2 The Company authorizes the chairperson of the Trust, or failing him/her, the Principal to call a Members' meeting for the purposes of section 6(1)(1) of the Companies Act, in circumstances where the Company has no Directors or all its Directors are incapacitated.

3.3 The Company shall hold an annual general meeting once in every calendar year provided that not more than 15 months shall elapse between the date of one annual general meeting and the date of the next, which meeting shall deal with at least the following matters:

- 3.3.1 the appointment of the auditors of the Company (if any) to hold office from the conclusion of that meeting until the conclusion of the next annual general meeting of the Company;
- 3.3.2 the presentation of the audited financial statements of the Company for the immediately preceding financial year;
- 3.3.3 the election of Directors; and
- 3.3.4 the approval of the appointment of Directors if, at the time of the annual General meeting, a person or persons have been appointed to the Board to fill a vacancy or otherwise or if a person has been appointed as an alternate to a Director, resulting in less than one third of Directors and alternate Directors having been elected by Members.

3.4 The Board must deliver to the Members a notice of each Members' meeting at least 15 Business Days before the meeting is to begin.

- 3.5 If the Company has only one Member:
 - 3.5.1 except to the extent that this MO provides otherwise, that Member may exercise any or all of the votes pertaining to the Company on any matter, at any time, without notice or compliance with any other internal formalities, except that minutes of any meeting required under the Companies Act shall be kept in accordance with this Article; and the provisions of section 59 to 65 of the Companies Act shall not apply to the governance of the Company for so long as the Company has only one Member.

3.6 The Board may determine the location of any Members' meetings (including the location of any meeting which has been adjourned), provided that the location shall be the registered office of the Company or an alternate suitable venue in the Republic of South Africa which is reasonably accessible to each Member.

3.7 The chairperson, or in his or her absence, the vice-chairperson of the Board shall chair Members' meetings. If, however, there is no chairperson or vice-chairperson, or if he or she has notified his or her inability to attend a meeting or if at any meeting he or she is not present at the time appointed for the meeting, the Members who are entitled to exercise voting rights in relation to the Company present or represented at the meeting shall choose another Director to chair the meeting. If no Director is present or if none of the Directors present are willing to chair the meeting, the Members who are entitled to exercise voting rights in relation to the Company present or represented at the meeting shall choose one of their number present at the relevant meeting to be the chairperson of the meeting.

3.8 Any Members' meeting may be conducted entirely by electronic communication or one or more Members, or their proxies, may participate by electronic communication in all or part of any Members' meeting that is being held in person, so long as the electronic communication employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other and without an intermediary, and to participate reasonably effectively in the meeting.

3.9 Any notice of any Members' meeting at which it will be possible for directors to participate by way of electronic communication shall inform Members of the ability to so participate and shall provide any necessary information to enable Members or their proxies to access the available medium or means of electronic communication, provided that such access shall be at the expense of the Members or the proxy concerned.

3.10 Any resolution approved by the required majority of Members who were connected by electronic communication at a Members meeting where:

- 3.10.1 all such Members remained connected for the duration of the meeting;
- 3.10.2 the subject matter of the resolution had been discussed at such meeting; and
- 3.10.3 the chairperson, vice-chairperson or any Member present at such meeting certified in writing that the aforementioned requirements have been met,

shall be valid and shall be deemed to have been passed on the date on which the meeting was held (unless a statement to the contrary is made in the minutes of such meeting) and the Company shall, within 10 Business Days after the adoption or failing of a resolution at such meeting, deliver to each Member a copy of the resolution proposed with a statement describing the results of the vote, consent process or election as the case may be, and insert a copy of the resolution and statement into the Company's minute book.

3.11 The quorum requirement for a Members' meeting to begin, or for a matter to be considered, is Members holding 50% of the votes exercisable at the relevant meeting, provided that no quorum shall exist at any Members' meeting unless the Trust is present at the meeting. Notwithstanding section 64(9) of the Companies Act, should any Members' meeting which has been constituted as quorate in terms of this MOI, cease to be quorate at any time during such meeting due to the departure of any Member/s, then such meeting shall be adjourned as soon as the meeting ceases to be quorate without any matters being further considered or voted upon.

3.12 Minutes will be kept of all Members' meetings and will be:

3.12.1 settled by the chairperson of the relevant Members' meeting and circulated to all Members within 30 days following the Members' meeting;

3.12.2 submitted to the next Members' meeting for approval, with or without modification;

3.12.3 signed by the chairperson of that meeting confirming the approval of the meeting.

3.13 Any copy of any record referred to in Article 3.12, or any resolution of the Members, which purports to be signed by any Director of the Company, shall be prima facie evidence of the matters stated therein.

4 ARTICLE 4 - RESOLUTIONS OF MEMBERS

4.1 For any ordinary resolution to be adopted by the Members, it must be supported by Members holding more than 50% of the voting rights (capable of and entitled to be exercised) exercised on the resolution.

4.2 For a special resolution to be adopted, it must be supported by Members holding 75% of the voting rights (capable of and entitled to be exercised) exercised on the resolution.

4.3 A special resolution of the Members is required, in addition to the matters set out in section 66(1) of the Companies Act, for the matters set out in Article 1.3.

4.4 At every Members' meeting every Member shall have one vote and voting shall be on a show of hands. In the case of an equality of votes, the chairperson of the meeting at which the show of hands takes place shall have a second or casting vote.

4.5 A resolution that could be voted on at a Member's meeting, including the election of Directors, may instead be:
4.5.1 submitted for consideration to the Members entitled to exercise the voting rights in relation to the resolution; and
4.5.2 voted on in writing by Members entitled to exercise voting rights in relation to the resolution within a period of 20 business days after the resolution was submitted to them.

4.6 A resolution contemplated in Article 4.5 above:
4.6.1 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, as the case may be, at a properly constituted Members' meeting; and
4.6.2 if adopted, will have the same effect as if it had been approved by voting at a meeting.

5 ARTICLE 5 - REPRESENTATION BY PROXIES

5.1 Any Member may at any time appoint any individual as a proxy to:
5.1.1 participate in, and speak and vote at, any meeting on behalf of that Member; or
5.1.2 give or withhold written consent on behalf of that Member to a decision adopted.



5.2 A proxy appointment must be in writing, dated and signed by the Member; and remains valid for one year after the date on which it was signed; or any longer or shorter period expressly set out in the instrument appointing the proxy, unless it is revoked in writing or substituted by a later inconsistent appointment and a copy of the revocation instrument is delivered to the Company.

5.3 A Member or his proxy must deliver to the Company a copy of the instrument appointing the proxy before the commencement of the meeting at which the proxy intends to exercise the director's rights.

5.4 Every instrument of proxy shall, as far as circumstances permit, be substantially in the generally available standard form approved by the Board from time to time.

5.5 The appointment of a proxy is suspended at any time and to the extent that the Member chooses to act directly and in person in the exercise of any rights as a Member.

5.6 The authority of a Member's proxy to delegate the proxy's power to another person, as set out in section 58 (3)(b) of the Companies Act is not limited or restricted by this MOI.

6. ARTICLE 6 - DIRECTORS AND OFFICERS

6.1 COMPOSITION OF THE BOARD

6.1.1 The Board shall comprise not less than three Directors.

6.1.2 Each alternate Director is entitled to act as a Director in the absence of the Director for whom he or she is an alternate.

6.1.3 The initial Directors of the Company are as follows:

Director	ID	Residential Address
Mark Ainsley ALLEN	710127 5102 084	8 Ruyteplaats Estate, Hout Bay, 7806
Melody Amanda ENGELBRECHT	600911 0129 082	32 Villa Capenero, Baronetcy Boulevard, Plattekloof, 7500
Gerda VAN DER WESTHUIZEN	750217 0040 081	3 Kestrel Way, Kentock Estate, Valley Road, Hout Bay, 7806

6.2 APPOINTMENT AND REMOVAL OF DIRECTORS

6.2.1 The members of the Board shall be elected by the Members of the Company at the annual general meeting. The initial sole Member, being the Trust, shall

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be entitled to nominate for election three Directors. If more Members are admitted to Membership, then each new Member shall be entitled to nominate one Director for election. The initial Directors shall be treated as if they were elected by the current sole Member.

6.2.2 Subject to Article 6.2.1:

6.2.2.1 at the annual general meeting held in each year, one-third of all Directors (and if one-third of the number of Directors is not a round number, such number shall be rounded up) shall retire from office and will be eligible for re-election;

the Directors to retire in terms of Article 6.2.2.1 shall be those who have been longest in office since their last election, provided that:

if more than one of them were elected Directors on the same day, those to retire shall be determined by lot unless those Directors agree otherwise between themselves;

the length of time a Director has been in office shall be reckoned from the date of his or her last election as a Director; if a Director is required to retire at any general meeting then he or she shall continue to be a Director until the election of Directors at that meeting is concluded, whether or not he or she is re-elected.

A Member removing any Director representing him/her/it or nominated by him/her/it in terms of this Article 6.2, or any Member who ceases to be entitled to nominate, remove and replace a Director and/or alternate Director in terms of this Article 6.2 by virtue of him or her ceasing to be a Member or otherwise;

shall be obliged to procure at its own cost and expense the removal and/or resignation of such Director within 2 Business Days of that Member notifying the Board of the removal of that Director; and

hereby indemnifies the Company and each of the other Members (and their respective Directors, officers, managers and employees) in respect of any claims, losses, costs, or expenses whatsoever (including indirect and consequential damages) which may be suffered or incurred by any of them arising out of or in connection with any such Director refusing to resign within the aforementioned 2 Business Day period for any reason whatsoever and/or arising out of any contract between the Director concerned and the Company and/or arising out of or in connection with the Members having to invoke the provisions of section 71 of the Companies Act for purposes of having the relevant Director/s removed as Director/s and/or arising out of or in connection with any claim for wrongful or unfair dismissal or redundancy or any other claim for compensation arising out of such removal or loss of office.

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6.2.2.5 Any member of the Board or of any sub-committee of the Board may retire from office upon giving 30 days notice in writing to the Board of his or her intention so to do, and such resignation shall take effect at the expiry of the period of such notice or its earlier acceptance.

6.2.3 Subject to Article 6.2.1, the Members shall:

- 6.2.3.1 determine the period of time which Directors may serve in office, subject to Article 6.2.2;
- 6.2.3.2 increase or reduce the maximum or minimum number of Directors subject to a minimum of three Directors; and
- 6.2.3.3 appoint new Directors, or appoint a new Director in the event of the resignation or death or incapacity of any Director.

6.2.4 Subject to the Companies Act, any vacancy on the Board shall be filled by the Member who has caused such vacancy to arise, provided that any person so chosen shall retain his or her office so long only as the vacating Director would have retained the same if no vacancy had occurred and each Member shall vote in favour of any resolution to fill any vacancy in accordance with Article 6.2.5. below.

6.2.5 Each Member hereby irrevocably and unconditionally:

- 6.2.5.1 agrees, when requested by any other Member to do so, to vote in favour of any resolution to appoint, remove and replace any Director/s by the Member nominating in terms of Articles 6.2 and/or 6.3 by the Member making the request; and
- 6.2.5.2 appoints the Member making the request as its proxy and agent in rem suum to represent him/her/it at any Members' meeting convened and held in terms of section 71(1) of the Companies Act for purposes of passing any resolution appointing, removing or replacing any one or more of the Director/s and/or alternate Director/s concerned, and to sign and execute any document (including any proxy or round-robin resolution) necessary or desirable to give effect to the provisions of this Article.

6.2.6 The authority of the Board to remove a Director, as set out in section 71(3) of the Companies Act, shall be subject to the Member who nominated the Director for appointment in the first place, consenting in writing to such removal.

6.2.7 In addition to satisfying the qualification and eligibility requirements set out in section 69 of the Companies Act, without limiting the rights of Members and Directors to remove a Director under certain circumstances under the Companies Act, a Director shall not be entitled to remain serving as a Director

of the Company, and the Member who nominated such Director shall be obliged to remove such Director, if:

he or she accepts or holds any salaried office in the Company;
he or she is concerned or interested in or participates in the profits of any contract with or work done for the Company, without disclosing same in compliance with the Companies Act;

he or she is removed by the Member who nominated him or her;

his or her estate is finally sequestered;

he or she files a petition for the surrender of his or her estate as insolvent;

he or she is placed under curatorship by any court of competent jurisdiction;

he or she enters into a compromise with his or her creditors generally;

he or she delivers a notice of his or her resignation at the office in terms of Article 6.2.2.5;

he or she becomes of unsound mind; and

he or she absents himself or herself from meetings of Directors for 6 consecutive months without the leave of the other Directors, and they resolve that his or her office shall be vacated, provided that this provision shall not apply to a Director who is represented by an alternate who does not so absent himself or herself.

6.3 ALTERNATE DIRECTORS

6.3.1 Any Member shall have the power to nominate another person to act as alternate Director to the Director nominated by such Member in terms of Article 6.2 in such Director's place during his/her absence or inability to act as such Director, and on such appointment being made, the alternate Director shall, in all respects, be subject to the terms and conditions existing with reference to the other Directors. Any Member shall also have the right to remove any alternate Director appointed in terms of this Article.

6.3.2 A person may be appointed as alternate to more than one Director. Where a person is alternate to more than one Director or where an alternate Director is a Director, he/she shall have a separate vote, on behalf of each Director he/she is representing in addition to his/her own vote, if any.

6.3.3 Each Member irrevocably undertakes in favour of the other/s to vote in favour of the appointment of any alternate to a Director, and not to propose, or to vote in favour of any resolution for the removal of any alternate nominated by a Member unless the Member who nominated the alternate votes in favour of such resolution or the provisions of this MOI require that such alternate be removed, in which case each Member shall be obliged to vote in favour of his removal and undertakes to do so. Any removal of an alternate as aforesaid shall be without any claim for compensation and the Member/s which nominated any such alternate Director hereby indemnifies



and holds the Company harmless against any claim arising out of or in connection with such removal.

6.3.4 The alternate Directors, whilst acting in the place of the Directors whom they represent, shall exercise and discharge all the duties and functions of the Directors they represent. The appointment of an alternate Director shall cease on the happening of any event which, if he/she were a Director, would cause him/her to cease to hold office or if the Director for which he or she is an alternate ceases to be a Director, or gives notice to the secretary of the Company that the alternate Director representing him/her shall have ceased to do so. An alternate Director shall look to the Director for which he or she is an alternate for his/her remuneration (if any).

7 ARTICLE 7 - AUTHORITIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

- 7.1 The Board must manage and direct the business and affairs of the Company and has the authority to exercise all the powers and perform any of the functions of the Company except to the extent that the Companies Act or the Objects of the Company or this MOI provides otherwise.
- 7.2 The Board must operate within the parameters of the legal status of the Company with powers and responsibilities, subject to compliance with the Objects, as follows:
 - 7.2.1 to co-opt any person or group of persons with special knowledge and expertise to assist the Directors in specific tasks in the interest of the Centre and/or the Company, provided that such person or persons shall have no voting power on the Board;
 - 7.2.2 on behalf of the Company, subject to the provisions of this MOI, to enter into contracts or negotiations with parties, and also to institute and defend any action at law that may arise from such relationship, without any Director of the Company being individually accountable in such actions;
 - 7.2.3 on behalf of the Company, subject to the provisions of this MOI, to acquire and dispose of any property, movable and immovable;
 - 7.2.4 to appoint employees of the Centre and/or the Company, determine their conditions of service, and terminate their services;
 - 7.2.5 to provide the Members with the Audited Financial Statements of the Company for the immediately preceding financial year within 3 months after year end; and
 - 7.2.6 present an annual budget and any funding requirements to the Members for approval before commencement of the next financial year.

8 ARTICLE 8 - DIRECTORS COMPENSATION

- 8.1 Subject to compliance with Article 12 and the Companies Act, this MOI does not limit, restrict or qualify the power of the Company to pay remuneration to its Directors for their service as Directors as reasonable compensation for services rendered to the Company in accordance with item 1(3) of Schedule 1 of the Companies Act, provided that:
 - 8.1.1 the Members have approved the payment of such remuneration by special resolution; and
 - 8.1.2 any such remuneration shall be commensurate with the services actually rendered and shall not be excessive, having regard to what is generally considered reasonable for similar services.

9 ARTICLE 9 - BOARD MEETINGS

- 9.1 Any Director of the Company authorised by the Board, is entitled to call a meeting of the Board at any time and the right of the Company's Directors to requisition a meeting of the Board, as set out in section 73(1)(b) of the Companies Act, may be exercised in terms of section 73(2) of the Companies Act, by any one Director.
- 9.2 Subject to Article 9.4, a notice of a Board meeting must be in writing and shall be delivered to each Director of the Company (including each alternate Director) so as to be received by the Director in question at least ten Business Days before the meeting is to begin, provided that in exceptional circumstances, as determined by the chairperson of the Board, the notice period may be shortened as is necessary to allow the Directors to attend to the exceptional circumstances in question.
- 9.3 Such notice of a Board meeting may be in any form determined by the Board but must as a minimum include:
 - 9.3.1 the date, time and place for the meeting;
 - 9.3.2 a detailed agenda for the meeting;
 - 9.3.3 information with respect to the availability of participation in the meeting (and in the postponement or adjournment of the meeting) by electronic communication and the necessary information to enable Directors (including their alternates) to access the available medium or means of communication; and
 - 9.3.4 the general purpose of the meeting.
- 9.4 Notwithstanding any provision to the contrary contained in this Article, if all of the Directors the Company:
 - 9.4.1 acknowledge actual receipt of the notice;
 - 9.4.2 are present at a meeting; and
 - 9.4.3 waive notice of the meeting,

then the meeting may proceed even if the Company failed to give the required notice of the meeting as contemplated in this Article, or there was a defect in the giving of such notice.

9.5 Board meetings will be held at a reasonable time and venue. In the ordinary course, Board meetings will be held at the principal place of business of the Company or at such other venue as the Board may agree to in writing.

9.6 The Company shall pay all reasonable and necessary travel and associated costs required to be incurred by the Directors (or their alternates) in fulfilling their obligations to attend any meeting.

9.7 The quorum requirements for the Board meeting shall be as set out in this Article 9.7:

9.7.1 The quorum for a Board meeting shall be at least 50% Directors in office from time to time, and who must be personally present at the meeting or participate in person electronically, before a vote may be called at such meeting, provided that at least one Director nominated by the Trust shall be required for there to be such a quorum. For the avoidance of doubt, to the extent that the foregoing requires any Director nominated by a particular Member to form part of the quorum, that requirement shall only apply if and to the extent that the Member concerned has in fact nominated a Director.

If within 30 minutes of the appointed time for a Board meeting to begin a quorum is not present, then the meeting is automatically postponed (without any motion, vote or further notice) for one week, provided that the 30 minute limit may be extended for a reasonable period not exceeding 2 hours by the chairperson of the meeting.

If at the time a matter is to be considered at a Board meeting, such meeting ceases to be quorate and there is no other business on the agenda which can be dealt with, the meeting is automatically adjourned (without any motion or vote) for one week. Further notice of a Board meeting that is postponed or adjourned is required on the same basis as the original meeting which is being postponed or adjourned, save that notice shall be given within 2 Business Days of the date on which the meeting which is being postponed or adjourned was held and the only items on the agenda may be the items which were on the agenda for the original meeting.

If at the appointed time for a postponed meeting to begin or an adjourned meeting to resume, the quorum requirements are not met, then those Directors, present in person at the Board meeting including those participating electronically, will be deemed to constitute a quorum.

9.7.6 A Board meeting may otherwise be adjourned by majority vote of the Directors present at the meeting.

9.8 Any Board meeting may be conducted entirely by electronic communication or one or more Directors, or alternate Director, may participate by electronic communication in all or part of any Directors' meeting that is being held in person, so long as the electronic communication employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other and without an intermediary, and to participate reasonably effectively in the meeting.

9.9 The chairperson and vice-chairperson of the Board will be appointed by the Board from among the Directors at the first meeting of the Board held after each annual general meeting. The chairperson shall preside as chairperson of every meeting and if the chairperson is not present then the vice-chairperson shall so preside. If neither the chairperson nor the vice-chairperson is present within 15 minutes after the time appointed for holding the meeting, then the Directors present shall choose one of their number to be chairperson for that meeting.

9.10 Minutes of each Board Meeting and meetings of subcommittees of the Board must be kept and must include, at least, the following:

9.10.1 any declaration given by notice or made by a Director as required by section 75 of the Companies Act (Director's personal financial interests);

9.10.2 the names of the members of the Board present at each meeting;

9.10.3 all decisions taken, and resolutions adopted, by the Board or any sub-committee of the Board as the case may be; and

9.10.4 all affairs and proceedings of meetings of the Board or sub-committees.

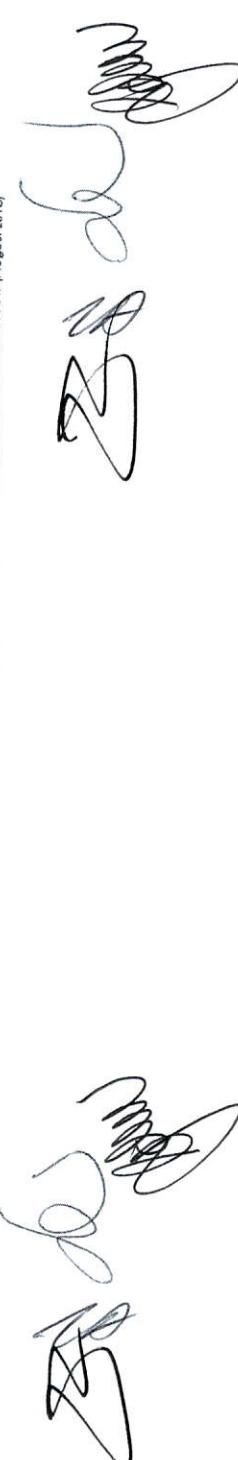
9.11 The minutes contemplated in Article 9.10 shall be:

9.11.1 settled by the chairperson of the Board and circulated to all Directors within 30 days following the Board meeting;

9.11.2 submitted to the next Board meeting for approval, with or without modification; and

9.11.3 signed by the chairperson of that meeting confirming the approval of the meeting.

10 **ARTICLE 10 - VOTING BY DIRECTORS** Subject to any special rights or restrictions as to voting by Directors by or in accordance with this MOI or the Companies Act, at a Board meeting, every Director (or their alternate) present and entitled to exercise voting rights shall be entitled to one vote on a show of hands.



- 10.2 Resolutions of Directors, in order to be of force and effect, must be approved by a majority of the votes exercised.
- 10.3 A declaration by the chairperson or vice-chairperson of the Board (as the case may be) 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 Board meeting (as contemplated in Articles 9.10 and 9.11), shall be evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 10.4 In the case of an equality of votes the chairperson of the Board meeting shall be entitled to a second or casting vote.
- 11 ARTICLE 11 - WRITTEN RESOLUTIONS BY DIRECTORS** A resolution that could be voted on at a Board meeting, may instead be adopted in writing by written resolution (which may consist of one or more documents in like form) signed by all of the Directors within a period of 10 Business Days after the resolution was submitted to them.
- 11.2 A resolution contemplated in Article 11.1 above:
- 11.2.1 if accepted, will have the same effect as if it had been approved by voting at a meeting; and unless the contrary is stated therein, shall be deemed to have been passed on the latest date on which it was signed by all Directors.
- 11.3 Within 10 Business Days after adopting a resolution of Directors in terms of the provisions of Article 11.1 above, the Company shall deliver a statement describing the results of the vote to the Directors.
- 12 ARTICLE 12 - FINANCIAL MATTERS OF THE COMPANY**
- 12.1 The Company:
- 12.1.1 must apply all of its assets and income, however derived, to advance the Objects, as set out in this MOI;
- 12.1.2 subject to Article 12.1.1, may:
- 12.1.2.1 acquire and hold securities issued by a profit company; and directly or indirectly, alone or with any other person, carry on any business, trade or undertaking consistent with or ancillary to the Objects.
- 12.2 The Company must not, directly or indirectly, pay any portion of its income or transfer any of its assets, regardless 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 any person who appointed a Director, of the Company, except:
- 12.2.1 as reasonable remuneration for goods delivered or services rendered to, or at the direction of, the Company or as payment of, or reimbursement for, expenses incurred to advance an Object of the Company;
- 12.2.2 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;
- 12.2.3 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 an Object of the Company; or
- 12.2.4 in respect of any legal obligation binding on the Company.
- 12.3 The financial year of the Company shall be the period 1 January to 31 December.
- 12.4 The Company shall collect money by appropriate means as determined by the Directors from time to time, raise income for the Centre from public and/or private sources; and shall handle such income in an appropriate and effective manner, in pursuance of the Objects of the Company and the aims and objectives of the Centre, subject at all times to Articles 12.1 and 12.2.
- 12.5 The Company shall open one bank account in the name of the Hangberg Pre-Primary School. Funds drawn on the Centre's account shall be signed by any one of the Directors, the Principal of the Centre or such executives that the Directors from time to time entitle to sign on behalf of the Centre.
- 12.6 Beneficiaries or office-bearers of the Centre have no rights in the property or other assets of the Centre or the Company solely by virtue of their being beneficiaries or office-bearers.
- 12.7 The Company and/or Centre's income and property are not distributable to its beneficiaries or office-bearers except as reasonable compensation for services rendered.
- 12.8 The Trust will advance money to support the development and activities of the Centre to the Company from time to time. Monies received and raised by the Company from the Trust can only be expended towards the achievement of the Objects of the Company.
- 12.9 The Company shall from time to time and as often as they may think desirable, award, lend or otherwise disburse so much of the monies received and raised by the Company as the Directors may in their discretion, acting

reasonably, decide, solely to achieve all or any of the Objects of the Company.

GLOSSARY

Annexure A

- 13 ARTICLE 13 - POLICIES OF THE CENTRE** the Company will set the Policies of the Centre in alignment with this MOI.
- 13.2 In the event of failure to align the Policies of the Centre with this MOI, or in the event that any provisions of the Policies of the Centre contradicts or conflicts with the provisions of this MOI, the provisions of this MOI shall prevail.
- 13.3 In the event that any provisions of the Policies of the Centre contradicts or conflicts with relevant legislation, the legislation shall prevail.
- 14 ARTICLE 14 - DISSOLUTION OF THE COMPANY**
- 14.1 The Company may be voluntarily wound-up by the Members by passing a special resolution to do so, in accordance with section 80 of the Companies Act.
- 14.2 The Company will use reasonable endeavours to ensure that the beneficiaries and staff of the Centre shall be given at least twenty-one days' notice of any decision contemplated in Article 14.1.
- 14.3 Upon the winding-up or dissolution of the Company:
- 14.3.1 no past or present Member or Director of the Company, or person appointing or nominating 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
- 14.3.2 the entire net value of the Company must be distributed to one or more non-profit companies, registered external non-profit companies carrying on activities within the Republic of South Africa, voluntary associations or non-profit trusts;
- 14.3.2.1 having objects similar to the Objects of the Company and which is authorised to collect funds in terms of Non-Profit Organisations Act, 71 of 1997; and
- 14.3.2.2 as determined by the Company's Members, or if it has no Members at such time, by its Directors, at or immediately before the time of its dissolution; or failing any such determination, by the court, if the MOI or the Members or Directors fail to make such a determination.

- "After school care" means all after school hours' activities and holiday programmes;
- "Board" means the board of Directors of the Company, from time to time;
- "Business Day" means any day other than a Saturday, Sunday or official public holiday in the Republic of South Africa;
- "Centre" means the Hangberg Pre-Primary School facilities erected and maintained by Hangberg Educational Trust on a part of Sentinel Primary School's Erf2725. The Centre currently comprises a pre-primary school and an after-care facility and will include any other structures that may be reasonably incidental to the activities of the pre-primary school and after-care facility. The Centre is governed by the Company and its Directors on behalf of the Members of the Company;
- "Companies Act" means the Companies Act, 71 of 2008, as amended or reinstated from time to time;
- "Company" means the Hangberg Pre-Primary School Non Profit Company with company registration number 2015/391883/08;
- "Director" means any director of the Company, and where the context so provides, an alternate director;
- "Learner" means any person receiving education or care at the Centre;
- "Beneficiary of the Centre" means learners and parents of the learners of the Centre;
- "staff" or "office-bearers" means employees of the Centre;
- "School" means Sentinel Primary School with EMIS Number 0105 313 033;

- "parent" means—
- (a) the biological or adoptive parent or legal guardian of a learner; or
- (b) the person legally entitled to custody of a learner; or
- (c) the person who undertakes to fulfil the obligations of a person referred to in paragraphs (a) and (b) towards the learner's care at the Centre;
- "Members" means those persons registered in the Company's Membership Register, as such and includes the Trust as at the date of adoption of this MOI;
- "Membership" means registration in the Membership Register of the Company;
- "Membership Register" means the register of Members established or maintained by the Company in terms of the Companies Act;
- "Memorandum of Incorporation" or "MOI" means the memorandum of incorporation of the Company, as contained in this document, including any annexures thereto;
- "Objects" shall have the meaning as set out in Article 1.2;
- "Principal" means the person appointed or acting as the head of the Centre;
- "Policies of the Centre" means all policies required for the governance and management of the Centre, including but not limited to, its Health and Safety Policy, Staffing Policy, etc;



"Trust" means Hargberg Educational Trust with registration number ITI 394/2012. It is a Public Benefit Organization (PBO 930 040 922) with Non-Profit status (NPO 118-017).

The Trust aims to support the education of pre-primary school children, and any ancillary relevant activities.

