



MEMORANDUM OF INCORPORATION

OF

THE SOUTH AFRICAN MEDICAL ASSOCIATION NPC ("SAMA")

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(Registration number 1927/000136/08)

Preamble

"We, the members of the South African Medical Association -

*recognising the injustices of the past;
honouring those who suffered for justice and freedom in our land; and
respecting those that have worked to build and develop South Africa;*

*believe that the South African Medical Association should serve as the vehicle to
represent all doctors irrespective of race, gender, religion or ethnicity and that we
should be united in our diversity.*

The South African Medical Association commits to –

*establishing an organisation based on democratic values, social justice and
fundamental human rights;*

*laying the foundation for a democratic and open organisation in which the
governance of the Association is based on the will of the members and every member
is equally protected by the founding documents of the Association; and improving the
access, equity and quality of medical services available to all citizens; and*

*as one of its principal purposes, regulate relations (which shall include representation
of union members, individual and collective labour interests and rights) between
employees and employers, including any employers' organisation.*

*In accepting this Memorandum of Incorporation as well as the Constitution of the
SAMA Trade Union as the constitutional documents of the South African Medical
Association (SAMA), recognition is given to the pivotal role played by the then Medical
Association of South Africa (MASA) and the Partner Organisations who came together
in 1997 to form SAMA.*

*SAMA's continued commitment to transformation will be reflected in all its structures
by ensuring that historically disadvantaged individuals (HDIs) assume and maintain
their rightful positions in accordance with the principles of a democratic South
Africa and in line with the Bill of Rights of the Constitution. HDIs refer to individuals
from those sectors of the population that were subjected to racial injustices prior to
1994. HDIs will be represented at a minimum of 50% in all SAMA structures.*

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1. Commitment

SAMA is committed to:

- 1.1 uniting all doctors for the health of the nation and representing doctors on matters relating to their profession, and empowering the medical profession in the Republic of South Africa to bring health to the nation; and
- 1.2 regulating relations between employees and employers, including employer organisations, and fulfilling their role as trade union to represent the labour interests and rights of all medical doctors who are employees.

2. Objectives

2.1 Main objectives

The main objectives of SAMA are to:

- 2.1.1 represent the medical profession with authority and credibility, collectively and individually, in all matters, and to act as the principal co-ordinating and negotiating body for the medical profession,
- 2.1.2 serve the needs of members of SAMA to enable them to function optimally as professionals,
- 2.1.3 promote health through the expertise and influence of the medical profession,
- 2.1.4 take an active part in the promotion of healthcare programs for the benefit of the community,
- 2.1.5 promote transformation in SAMA,
- 2.1.6 promote appropriate representation in all SAMA structures,
- 2.1.7 promote gender parity in all SAMA structures,
- 2.1.8 regulate relations between its members and employers' organisations by:
 - (a) seeking and or obtaining organisational rights in terms of the Labour Relations Act (LRA);
 - (b) seeking and or obtaining recognition from employers as the collective bargaining representative of its members;
 - (c) submitting and negotiating in respect of demands on behalf of their members for improved wages and working conditions;
 - (d) seeking to resolve grievances on behalf of its members;
 - (e) representing and assisting its members in internal proceedings with employers relative to resolving disputes, inter alia, but not limited to dismissal, promotion, suspension and transfers;
 - (f) representing and assisting its members, that are employed in either the private or public sectors, in disputes in the Council for Conciliation Mediation and Arbitration (CCMA), bargaining councils and the Labour and other Courts relative to dismissals, unfair labour practices and mutual interest disputes;
 - (g) providing at the sole discretion of SAMA, legal assistance to members in connection with their employment and related matters;

- (h) protecting job security of members, assist in advancing their employment prospects and additional incentives in the interest of members;
- (i) where it is deemed in the interest of the association and its members, co-operating and/or participating directly or indirectly with any other union, organisation or association to further the interest of its members;
- (j) optimising working conditions and remuneration for doctors;
- (k) reducing the gap between the salaries of the doctors in the private and public sector,

2.1.9 generally perform other lawful acts as may appear to be in the interest of SAMA and its members in furthering the objectives of these articles, the LRA and if necessary to oppose acts, which are not consistent with the objective or any other matter specifically provided for in this Memorandum of Incorporation; and

2.1.10 circulate information by means of periodicals and journals, which shall be the property of SAMA, and by the publication of transactions or other papers and documents and by other means of communication.

2.2 Ancillary objectives

2.2.1 To influence the shaping of the healthcare environment.

2.2.2 To maintain the integrity, trust, professional conduct, standards, image, and role of medical doctors.

2.2.3 To promote fair and honourable practice, to discourage or prevent malpractice or professional misconduct, and to ensure the highest clinical, ethical, and scientific standards in the delivery of healthcare.

2.2.4 To provide medical doctors with knowledge relevant to the demands of medical practice through continued medical education.

2.2.5 To promote involvement in medical education, research, and academic excellence.

2.2.6 To develop medical leadership and skills amongst all medical doctors.

2.2.7 To maintain, protect, advance, and extend the honour, interests, and standing of the medical profession.

2.2.8 To grant sums of money from the funds of SAMA for the promotion of the medical and allied sciences in such manner as may from time to time be determined.

2.2.9 To establish and administer a benevolent fund to provide for relief by way of grants, donations, annuities or other means to members and former members of SAMA, dependents of members, former members and deceased members of SAMA; non-members of SAMA who are or were duly registered medical practitioners within the Republic of South Africa: and dependents of non-members or deceased non-members where such non-members are or were duly registered medical practitioners within the Republic of South Africa.

2.2.10 To establish and administer a fund to provide financial assistance to individuals who are studying in the medical field.

2.3 Language policy

English is the official language for the conducting of the business of SAMA. However if, at any meeting of any of the SAMA structures, the participants unanimously decide to conduct the business in a language other than English, they may do so, provided that all written records, reports and correspondence arising from such meeting shall be in English.

3. Interpretation

In this Memorandum of Incorporation –

- 3.1** a reference to a section by number refers to the corresponding section of the Companies Act, 2008, and
- 3.2** words that are defined in the Companies Act, 2008, bear the same meaning in this Memorandum as in that Act.

The Schedules attached to this Memorandum are part of the Memorandum of Incorporation.

4. Article 1 – Incorporation and nature of the Company

4.1 Incorporation

4.1.1 The Company is incorporated as a Non Profit Company, as defined in the Companies Act, 2008.

4.1.2 The Company is incorporated in accordance with, and governed by -

- (a)** the unalterable provisions of the Companies Act, 2008, that are applicable to Non Profit Companies;
- (b)** the alterable provisions of the Companies Act, 2008, that are applicable to Non Profit Companies, subject to any limitation, extension, variation or substitution set out in this Memorandum;
- (c)** the provisions of this Memorandum of Incorporation; and
- (d)** where applicable, the provisions of the Labour Relations Act No 66 of 1995, as amended.

4.2 Objectives and powers of the Company

4.2.1 The objectives of the Company are as set out on the cover sheet and, except to the extent necessarily implied by the stated objectives, the purposes and powers of the Company are not subject to any restriction, limitation or qualification as contemplated in section 19(1)(b)(ii).

4.2.2 The Company is not subject to any provision contemplated in Section 15(2)(b) or (c).

4.2.3 Upon dissolution of the Company, its net assets must be distributed in the manner determined in accordance with item 1(4)(b) of Schedule 1 of the Companies Act, 2008.

4.2.4 With specific reference to Section 30B of the Income Tax Act, as amended, and in addition to 4.2.3, the Board of Directors undertake that they would ensure that:

- (a)** At least 3 (three) of the members of the Board will not be connected persons in relation to each other;

- (b) No single person will directly or indirectly control the decision-making powers of the Association;
- (c) The Company will not directly or indirectly distribute any of its funds or assets to any person other than in the course of furthering its objectives;
- (d) The Company will utilise substantially the whole of its funds for the sole or principal object for which it has been established;
- (e) No member will directly or indirectly have any personal or private interest in the Company;
- (f) Substantially the whole of the activities of the Company will be directed to the furtherance of its sole or principle object and not for the specific benefit of an individual member of minority group;
- (g) The Company will not have a share or interest in any other business, profession or occupation which is carried on by its members;
- (h) The Company will not pay to any employee, office bearer, member or other person any remuneration, as defined in the Fourth Schedule to the Income Tax Act, which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the services rendered;
- (i) Substantially the whole of the Company's funding will be derived from its annual or other long-term members or from an appropriation by the government of the Republic in the national, provincial or local sphere;
- (j) The Company will as part of its dissolution transfer its assets to –
 - a. another entity approved by the Commissioner in terms of section 10(1)(d)(iv)(bb) of the Income Tax Act (Act 58 of 1962);
 - b. a public benefit organisation approved in terms of section 30 of the Income Tax Act (Act 58 of 1962);
 - c. an institution, board or body which is exempt from tax under section 10(1)(cA)(i) of the Income Tax Act (Act 58 of 1962); or
 - d. the government of the Republic of South Africa in the national, provincial or local sphere;
- (k) The Board of Directors undertakes to submit any amendment of the Company's Memorandum of Incorporation to the Commissioner for SARS within 30 days of its amendment;
- (l) The Company will comply with such reporting requirements as may be determined by the Commissioner of SARS from time to time; and
- (m) The Company is not knowingly and will not knowingly become a party to, and does not knowingly and will not knowingly permit itself too be used as part of, an impermissible avoidance arrangement contemplated in Part IIA of Chapter III, or a transaction, operation or scheme contemplated in section 103() of the Income Tax Act (Act 58 of 1962).

4.3 Memorandum of Incorporation and Company Rules

- 4.3.1** This Memorandum of Incorporation of the Company may be altered or amended in the manner set out in Section 16, 17 or 152(6)(b), subject to the provisions contemplated in Section 16(1)(c).
- 4.3.2** The authority of the Company's Board of Directors to make Rules for the Company, as contemplated in Section 15(3) to (5), is not limited or restricted in any manner by this Memorandum of Incorporation.
- 4.3.3** The Board must publish any Rules made in terms of Section 15(3) to (5) by delivering by electronic means, by courier or by registered mail a copy of those rules to each director.

4.3.4 The Company must publish a notice of any alteration of the Memorandum of Incorporation or the Rules, made in terms of Section 17(1) by delivering a copy of those rules to each director by electronic means, by courier or by registered mail.

4.4 Application of optional provisions of the Companies Act, 2008

The Company elects to only comply with the provisions of Chapter 3 of the Companies Act, 2008 in terms of Section 34(2) thereof insofar as it is obliged to in terms of its Public Interest Score.

4.5 Members of the Company

4.5.1 As contemplated in Item 4(1) of Schedule 1 of the Act, the Company has members who are in either of two classes, being voting or non-voting members, respectively.

4.5.2 The terms and conditions of membership in the company are as set out in Part A of Schedule 1 to this Memorandum.

5. Article 2 – Rights of Members

5.1 Members' authority to act

If, at any time, every member of the Company is also a director of the Company, as contemplated in Section 57(4), the authority of the members to act without notice or compliance with any other internal formalities, is not restricted by this Memorandum of Incorporation.

5.2 Members' right to information

A member of the Company will have the rights to access information set out in Section 26(1) of the Act.

5.3 Representation by proxy and representation by concurrent proxies

5.3.1 The rights of a member of the Company to appoint a proxy, as set out in Section 58(1), is not limited, restricted or varied by this Memorandum of Incorporation.

5.3.2 The right of a member of the company to be represented by concurrent proxies as set out in Section 58(3)(a) is varied by this memorandum of incorporation to the extent set out in Part A of Schedule 2.

5.4 Authority of proxy to delegate

The authority of a member's proxy to delegate the proxy's powers to another person, as set out in Section 58(3)(b) is limited or restricted by this Memorandum of Incorporation to the extent set out in Part A of Schedule 2.

5.5 Requirement to deliver proxy instrument to the Company

The requirement that a member must deliver, by fax, email, courier or registered mail or by other electronic means, to the Company a copy of the instrument appointing a proxy before that proxy may exercise the member's rights at a members meeting, as set out in Section 58(3)(c), is varied by this Memorandum of Incorporation to the extent set out in Part A of Schedule 2.

5.6 Deliberative authority of proxy

The authority of a member's proxy to decide without direction from the member whether to exercise, or abstain from exercising, any voting right of the member as set out in Section 58(7), is not limited or restricted by this Memorandum of Incorporation.

5.7 Record date for exercise of member rights

If, at any time, the Company's Board of Directors fails to determine a record date, as contemplated in Section 59, the record date for the relevant matter is as determined in accordance with Section 59(3).

6. Article 3 – Members meetings

6.1 Requirement to hold meetings

The Company is required to hold members meetings in addition to those specifically required by the Companies Act, 2008, as set out in Part A of Schedule 3.

6.2 Members' right to requisition a meeting

The right of members to requisition a meeting, as set out in Section 61(3), may be exercised as provided for in that section.

6.3 Location of members meetings

The authority of the Company's Board of Directors to determine the location of any members meeting, and the authority of the Company to hold any such meeting in the Republic of South Africa or any foreign country, as set out in Section 61(9) is limited or restricted by this Memorandum of Incorporation to the extent set out in Part B of Schedule 3.

6.4 Notice of members meetings

The minimum number of days for the Company to deliver a notice of a members meeting to the members, as required by Section 62, is 15 business days before the meeting is to begin.

6.5 Electronic participation in members meetings

The authority of the Company to conduct meetings entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in Section 63, is not limited or restricted by this Memorandum of Incorporation.

6.6 Quorum for members meetings

6.6.1 The quorum requirement for a members meeting to begin, or for a matter to be considered, is subject to a minimum of 10% in substitution for the 25% required by Section 64(2).

6.6.2 The time periods allowed in Section 64(4) and (5) apply to the Company.

6.6.3 The authority of a meeting to continue to consider a matter, as set out in Section 64(9) is not limited or restricted by this Memorandum of Incorporation.

6.7 Adjournment of members meetings

The maximum period allowable for an adjournment of a members meeting is as set out in Section 64(13) without variation.

6.8 Members resolutions

6.8.1 For an ordinary resolution to be adopted at a members meeting, it must be supported by at least 50% of the members who voted on the resolution, as provided in Section 65(7).

6.8.2 For a special resolution to be adopted at a members meeting, it must be supported by at least 66% of the members who voted on the resolution.

6.8.3 A special resolution adopted at a members meeting is not required for a matter to be determined by the Company, except those matters set out in Section 65(11).

7. Article 4 – National Council, Board of Directors, Committees, Officers, Company Secretary and Auditors

7.1 The National Council

The SAMA National Council is elected by the members to evaluate and determine the Board's performance and provide feedback to all the members at its National Council Meetings. The National Council leads the Board in its strategic direction of the Company and is composed as reflected in the Company Rules.

7.2 Composition of the Board of Directors

7.2.1 The Board of Directors of the Company would ideally comprise up to 20 directors, or such number as approved by National Council from time to time, with no alternate directors, each director to be elected -

- (a)** in the manner set out in Part A of Schedule 4; and
- (b)** to serve for an annual term renewable for 3 (three) consecutive years.

7.2.2 In addition to the elected directors, there may be co-opted or *ex officio* directors of the company as determined from time to time in the Company Rules.

7.2.3 In addition to satisfying the qualification and eligibility requirements set out in Section 69, to become or remain a director of the Company, a person must satisfy the additional eligibility requirements and qualifications set out in Part C of Schedule 4.

7.2.4 Each director of the company serves for a term as to be determined from time to time in the Company Rules, until substituted.

7.2.5 Each year one third of the directors of the Company shall resign as directors and an election shall be held to fill the vacancies so created. The mechanism to determine which of the directors shall resign shall be contained in the Company Rules.

7.3 Authority of the Board of Directors

The authority of the Company's Board of Directors to manage and direct the business and affairs of the Company as set out in Section 66(1) is not limited or restricted by this Memorandum of Incorporation.

7.4 Board of Directors' meetings

The authority of the Company's Board of Directors to consider a matter other than at a meeting, as set out in Section 74, is not limited or restricted by this Memorandum of Incorporation.

7.4.1 The right of the Company's directors to requisition a meeting of the Board, as set out in Section 73(1), may be exercised by at least 25% of the directors, as provided in that section.

7.4.2 The authority of the Company's Board of Directors to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in Section 73(3), is not limited or restricted by this Memorandum of Incorporation.

7.4.3 The authority of the Company's Board of Directors to determine the manner and form of providing notice of its meetings, as set out in Section 73(4), is not limited or restricted by this Memorandum of Incorporation.

7.4.4 The authority of the Company's Board of Directors to proceed with a meeting despite a failure or defect in giving notice of the meeting, as set out in Section 73(5), is not limited or restricted by this Memorandum of Incorporation.

7.4.5 The quorum requirement for a directors' meeting to begin, the voting rights at such a meeting, and the requirements for approval of a resolution at such a meeting, are as set out in Section 73(5).

7.5 Indemnification of Directors

7.5.1 The authority of the Company's Board of Directors to advance expenses to a director, or indemnify a director, in respect of the defence of legal proceedings, as set out in Section 78(3), is not limited or restricted by this Memorandum of Incorporation.

7.5.2 The authority of the Company's Board of Directors to indemnify a director in respect of liability, as set out in Section 78(5), is not limited or restricted by this Memorandum of Incorporation.

7.5.3 The authority of the Company's Board of Directors to purchase insurance to protect the Company, or a director, as set out in Section 78(6) is not limited or restricted by this Memorandum of Incorporation.

7.6 Committees

7.6.1 The authority of the Company's Board of Directors to appoint Committees of directors, and/or to delegate to any such Committee any of the authority of the Board as set out in Section 72(1), or to include in any such Committee persons who are not directors, as set out in Section 73(2)(a) is not limited or restricted by this Memorandum of Incorporation or in terms of the Company Rules.

7.6.2 The authority of a Committee appointed by the Company's Board, as set out in Section 72(2)(b) and (c), is not limited or restricted by this Memorandum of Incorporation.

7.6.3 Social and Ethics Committee

The Company shall have a Social and Ethics Committee as contemplated in Section 72(4) of the Act and determined by its Public Interest Score.

7.7 Officers

The Board of Directors may appoint any officers it considers necessary to better achieve the objects of the Company.

7.8 Auditor

The Company shall appoint an auditor insofar as it is necessitated by its Public Interest Score.

7.9 Rotation of auditors

The Company shall strive to adhere to the provisions of section 92 of the Act in respect of the rotation of auditors insofar practicable.

8. Article 5 – General provisions

8.1 Protected disclosures

The company shall, in terms of section 159(7), establish and maintain a system to receive disclosures contemplated in section 159 and will publicize the availability of that system by conspicuously displaying a notice to that effect, setting out the contact details of the person responsible for receiving any such disclosure -

8.1.1 at the registered office of the company, the principal places of conducting the business activities of the company, and at any workplace where employees of the company are employed; and

8.1.2 on the Company's website that is maintained by the company and intended to be accessible by the categories of persons enumerated in section 159(4).

8.2 Financial year-end

The financial year-end of the Company shall be the 31st of December.

8.3 Accounting records and annual financial statements

All accounting records and annual financial statements shall be kept in accordance with the Act and the IFRS (International Financial Reporting Standards) shall apply to the Company.

Schedule 1 – Incorporation and nature of the Company

Part A – Terms and Conditions of Membership

The South African Medical Association has the following categories of members and terms and conditions of membership:

(a) Voting Members

Full Members (including Life and Student Members)

Each person who is entered in the register of Full Members, including Life Members and Student Members of the South African Medical Association as an enfranchised Member on the date this Memorandum of Incorporation come into operation, shall *ipso facto* be a Full Member of SAMA.

Any legally qualified medical practitioner residing within the territory of the Republic of South Africa at the time of application for Membership who is registered under Section 17 of the Health Professions Act, Act 56 of 1974, or any later succeeding enactment thereof, shall qualify for Full Membership.

Members who have been Full or Expatriate Members of SAMA for at least 40 (forty) years in the aggregate, shall automatically become Life Members, provided that the National Council may, if circumstances justify it, and according to its discretion, grant Life Membership to a Member who does not meet the 40 (forty) years requirement.

Any medical student who is registered in terms of Section 18 of the Health Professions Act, Act 56 of 1974, or any later succeeding enactment thereof, shall qualify for Student Membership.

Members shall have the following powers and privileges:

- (i) The right to vote at General Meetings and the right to vote at the elections of National Councillors, and of participating in a referendum.
- (ii) The right to participate in the proceedings and debates at General Meetings.
- (iii) The right to be elected a Member of the Council and/or one of its committees and/or officials.
- (iv) The right to participate in and the right to enjoy the benefits of the general activities of SAMA, provided that in the case of Life Members a nominal amount, as may be determined by the Council or the Board from time to time, be payable should they elect to receive any of the publications of SAMA.
- (v) Unless otherwise determined, the rights and obligations of all Members shall rank *pari passu*.

(b) Non-Voting Members

Expatriate Members

Any medical doctor who is resident outside the Republic of South Africa and is registered with an appropriate regulatory body in South Africa (like the HPCSA) or registered with an equivalent recognised body outside the Republic of South Africa shall qualify for Expatriate Membership.

A Full Member residing temporarily outside the Republic of South Africa may apply to the General Manager to become an Expatriate Member. Such Member need to notify the General Manager of his/her intentions to leave South Africa and provide an address as his/her address for the receipt of notices. Such Member further needs to notify the General Manager to which Branch in South Africa he/she wishes to remain attached to. Such Member becomes an Expatriate Member upon approval of his/her application by the General Manager, and becomes a Full Member again upon his/her notifying General Manager that he/she has resumed residence in the Republic.

Expatriate Members who are currently residing outside of the borders of the Republic of South Africa will have the same rights and privileges as Full Members, with the exception of the right to vote at the election of Councillors, to participate in a referendum, or to be elected a Member of the Council and/or one of its committees and/or officials.

(c) Procedure for Admission to Full Membership and Expatriate Membership

Each candidate for Full Membership or Expatriate Membership must apply to the General Manager in writing in the prescribed manner for admission to the relevant category of Membership. The application form shall be as prescribed by the National Council from time to time, but shall contain at least the following:

- (i) a statement that the applicant agrees to abide by the Memorandum of Incorporation and the aims and objectives of SAMA,
- (ii) a statement that the applicant agrees to abide by the Company Rules of the Association; and
- (iii) an undertaking to pay the prescribed subscription annually.

The General Manager shall examine each application for Membership and enter the applicant's name in the register of Members upon his/her being satisfied that the applicant possesses the necessary qualifications for Full Membership or Expatriate Membership, as the case may be and that the application is in order in all respects.

The General Manager shall immediately give written notice to the applicant that his/her name has been entered in the register of Members, and shall at the same time inform him/her of the amount payable as subscription as determined.

(d) Honorary Members

The National Council may elect prominent scientists, qualified medical practitioners, and other persons residing within or outside the Republic, whether they are Full Members of SAMA or not, as Honorary Members if they have, in the opinion of the National Council, made valuable contributions to the advancement of medical science or to the welfare and benefit of SAMA.

A Member thus elected shall be an Honorary Member and become such as soon as his/her written acceptance of his/her election has been received by the General Manager.

The rights, duties, and powers of a Full Member are not affected by his/her election as an Honorary Member except that his/her obligation to pay the subscription laid, shall lapse.

Any Member of SAMA may nominate an individual to become an Honorary Member by submitting their name to National Council. After written and/or verbal motivation for the nomination, National Council may then accept or reject the nomination by an ordinary majority.

Individuals who have become Honorary Members according to this process possess all the rights and privileges of Full Members except the right to vote at General Meetings, to vote at the election of Councillors, to participate in a referendum, or to be elected a Member of the Council and/or one of its committees and/or its officials.

(e) Subscriptions

Each Full Member, with the exception of Life Members, Honorary Members, and Expatriate Members, shall pay annually on the first day of January to SAMA by way of subscription such amount at such a place and in such a manner (including monthly payments) as the Board may from time to time determine.

A Member who obtains Membership after 31 January in any year shall for that year pay one twelfth of the total annual subscription in respect of each remaining full month after the date of his/her admission.

The Board may reduce at its absolute discretion the subscriptions payable by individual Full Members or Expatriate Members.

A Full Member and an Expatriate Member remains liable for subscriptions which are in arrears on the date of termination of his/her membership, despite such termination and notwithstanding the fact that his/her membership may have terminated before the full year to which the subscription relates, has expired, provided that a Full Member and an Expatriate Member who has tendered his/her resignation is not liable for the payment of any subscription which may become payable after the date of receipt by the General Manager.

The Board has the power to levy the annual subscription and to collect it from the individual members.

The Board may exercise its power to levy subscriptions on a differentiated basis so as to the effect that members of the same category be charged different amounts of subscription if in the opinion of the Board circumstances so require.

The subscription amounts shall be determined annually by the Board on the advice of the General Manager.

(f) Termination of Membership

Termination of the respective categories of membership of SAMA shall take place as follows:

Non-payment of Subscriptions

If the subscription payable by the Full Member or Expatriate Member concerned has not been paid in full on or before 31 March of the year in which it becomes payable, except where the subscription is paid monthly, he/she shall forfeit all claims to the benefits, rights and privileges of membership until such time as the fees in arrears have been paid in full.

The Head Office of SAMA shall undertake to contact the member in writing to remind them that fees are payable and their membership benefits, rights and privileges have been suspended. Once fees in arrears have been paid in full, the member will be reinstated with all benefits, rights and privileges, unless more than one year has lapsed since the date of default. If more than one year has lapsed since the date of default, the Member in question will be required to reapply for Membership.

Immediately after 31 March of each year, the General Manager shall notify each Branch Secretary in writing of the names of Members whose Membership has lapsed for non payment of fees.

Where a Members' subscription is paid on a monthly debit order system, his/her membership shall lapse *ipso facto* when the order is dishonoured by the bank, and the General Manager shall notify the Branch Secretary of the lapse of his/her Membership.

Resignation

Membership may be terminated by resignation, which shall take effect:

in the case of a Full Member, immediately upon receipt of his/her written resignation by the General Manager; and

in the case of an Expatriate Member or Honorary Member, immediately upon receipt of his/her written resignation by the General Manager.

***Ipsa Facto* Termination**

Membership shall be *ipso facto* terminated when any of the following events occur:

Sentence after conviction of any crime in a court of law, to imprisonment without the option of a fine, or any heavier penalty; or

erasure of his name from any medical register within the Republic of South Africa or any other independent country in the world by reason of professional misconduct; or

forfeiture as a result of any disciplinary action against him/her of any medical qualifications which he/she may possess; or

death (demise) of the Member.

Termination or Suspension of Membership by National Council

The Membership of an Expatriate Member or an Honorary Member may be terminated or suspended by a resolution of the National Council taken by a two thirds majority of the Councillors present; by reason of the fact that the conduct of such Member has harmed the honour and interests of the medical profession or SAMA or was calculated to discredit SAMA.

The National Council has an unfettered discretion in this regard. A member whose membership has been terminated for misconduct shall not be permitted to rejoin the organisation for a period of three years. After this period of time, such individual's Membership application will be reviewed by National Council before permission to join is granted.

Schedule 2 - Rights of Members

Part A – Limitations pertaining to proxies

1. The provisions relating to the appointment of proxies as contemplated in Section 58(2) will apply to the Company without alteration or deviation.
2. Voting members of the Company may not appoint two or more proxies to act concurrently at any given time
3. A proxy may not delegate the proxy's authority to act on behalf of the member to another person.
4. A copy of the instrument appointing a proxy must be delivered to the company or to any other person on behalf of the company, no later than 48 hours before the appointed time of the commencement of the meeting. In calculating the 48 hour period, Saturdays, Sundays, and public holidays shall not be taken into account.

Schedule 3 - Members Meetings

Part A

A minimum of one Annual General Meeting shall be convened in each calendar year.

Part B

The Authority of the Company's Board of Directors to determine the location of any members meeting is limited to the extent that such a meeting must be convened within the borders of the Republic of South Africa.

Part C

In terms of section 64(2) of the Act the quorum for members meetings as described in section 64(1)(a) and (b) is reduced from 25% to 10%, as reflected in Article 3 of this Memorandum of Incorporation.

Part D

The requirement for adoption of a special resolution is reduced from 75% to 66%, as reflected in Article 3 of this Memorandum of Incorporation.

Schedule 4 – Directors of the Company

Part A – elections and appointment of directors

1. The voting members shall elect, according to their various geographical and group constituencies, representatives to serve as National Councillors. Every third year, the National Council comprising these duly elected representatives shall hold elections to appoint a Chairperson and Vice-Chairperson of SAMA both of whom will serve on the Board of Directors of SAMA.
2. The National Councillors shall, at the elections held by the National Council, elect Chairpersons of certain of the Committees of SAMA as set out in the Company Rules, who will serve as directors of SAMA. The Board of Directors will consist of the Chair and Vice-Chair (elected at National Council), the President and two Deputy Presidents of the Trade Union, the Chairpersons of the Professional Affairs Standing Committees, the Chairpersons of the Specialists and General Practitioners Membership Committees respectively, and, if necessary, when lacking in such representation after the above-mentioned members have been elected/introduced in their *ex officio* capacities, additional Board Members in a number to be approved from time to time by the National Council to proportionally ensure representation by Historically Disadvantaged Individuals, female medical doctors and young medical doctors. The Board will have the authority to invite members with the necessary skill sets and expertise to make representations or to give input for such periods of time and in those circumstances that might be required.
3. The annual term of directors will be renewable for three consecutive years.

Part B – qualification requirements for directors

In order for an individual to hold the office of director and/or National Councillor, he/she must be both a doctor and a full member of the South African Medical Association.