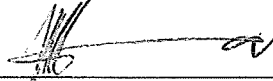


Articles of Association to be Substituted as a whole per
Special Resolution passed on 15 November 2013 at
Annual General Meeting /General Assembly of Members



President

ASSOCIATION OF LOCAL AUTHORITIES IN NAMIBIA
(INCORPORATED ASSOCIATION NOT FOR GAIN)

JANA DE KOCK

LEGAL PRACTITIONER, NOTARY PUBLIC AND CONVEYANCER

75 Schlettwein Street Pionierspark Windhoek

PO Box 20455 WINDHOEK Namibia Tel 061 226277 fax 061 226277

NOTARIAL CERTIFICATE

I, the undersigned

JOHANNA SUSANNA DE KOCK

of Windhoek, in the Republic of Namibia, Notary Public by lawful authority, duly admitted and sworn, do hereby certify and attest unto all whom it may concern that I have this day collated and compared with the original copies hereto annexed, marked "A" and "B" being respectively the

ARTICLES OF ASSOCIATION

AND

SPECIAL RESOLUTION

of

ASSOCIATION OF LOCAL AUTHORITIES IN NAMIBIA

(INCORPORATED ASSOCIATION NOT FOR GAIN)

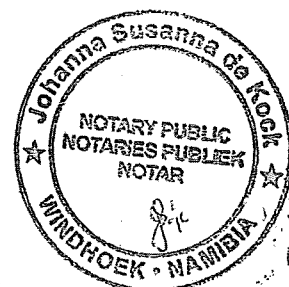
And, I, the said Notary, do further certify and attest that the same are true and faithful copies of the originals, and agree therewith in every respect:

An act whereof being required, I have granted these presents under my Notarial Form and Seal to serve and avail as occasion shall or may require.

THUS DONE and PASSED at WINDHOEK aforesaid on this 28 day of November in the year of our Lord Two Thousand and Thirteen



NOTARY PUBLIC



REPUBLIC OF NAMIBIA
COMPANIES ACT 2004
(Section 64) (Regulation 18(3))

**ARTICLES OF ASSOCIATION
OF A COMPANY NOT HAVING SHARE CAPITAL
NOT ADOPTING SCHEDULE 1**

Registration Number of Company
21/2007/0245

NAME OF COMPANY:

**ASSOCIATION OF LOCAL AUTHORITIES IN NAMIBIA
(INCORPORATED ASSOCIATION NOT FOR GAIN)**

- A. The articles of Table A contained in Schedule 1 to the Companies Act, 2004, shall not apply to the Company.
- B. The articles of the company are as follows:

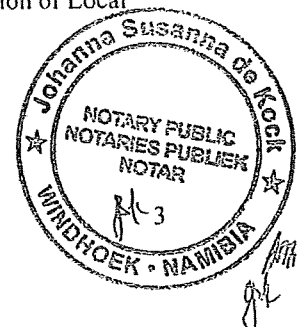
ARTICLES OF ASSOCIATION

1. PREAMBLE

WHEREAS –

- 1.1. Article 102 of the Namibian Constitution provides for the establishment of regional and local governments for purposes of decentralizing basic services in Namibia.
- 1.2. Section 6 of the Local Authorities Act 23 of 1992 provides that every town or village in Namibia shall be governed by a municipal, town or village council freely elected by members of such local authority.
- 1.3. The well-being of residents in any local authority depends on the competencies, skill and cooperation among local leadership.
- 1.4. Some activities of local governments are, by law, subjected to ministerial approval and such process requires the involvement of local government before the decisions are taken.
- 1.5. Local governments are entitled to be fully assisted by central government in different forms in order for these local units to fulfil their purpose for which they are established by law.
- 1.6. Local governments are, by law, required to deal with central government and with each other at various levels and such relationship requires the existence of an Company to coordinate and represent the interests of local government.
- 1.7. The local governments in Namibia are committed to act as liaison between the Central Government and Local Authorities in all matters of common interest to its members
- 1.8. The local governments in Namibia are committed to unite themselves under one umbrella body which is aimed at representing and promoting the interests of every municipality, town and village council at various levels.
- 1.9. The local authorities in Namibia wished to consolidate these Articles and the Constitution of the Association of Local Authorities into one document; and
- 1.10. The local authorities in Namibia have mutually agreed to form and abide by these consolidated articles of the Association of Local Authorities in Namibia.

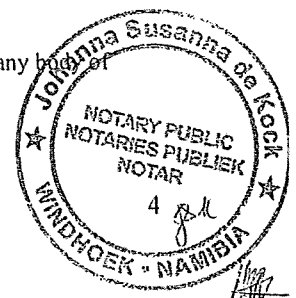
NOW THEREFOR the leadership and staff members of local authorities substitute its previous Articles of Association approved by the Registrar in 2007 for the Articles as set out below and accept and adopt these consolidated articles of association, as the fundamental guiding instrument in the fulfilment of our duties as members of the Association of Local Authorities in Namibia.



2. INTERPRETATION

In these articles, unless the context otherwise indicates-

- (a) "the Act" means the Companies Act, 2004 (Act 28 of 2004);
- (b) "annual General Assembly meaning" means the annual general meeting referred to in section 187 of the Act and for purpose of this Articles are referred to as the General Assembly and extraordinary or special meetings shall have similar meanings;
- (c) "attendees" means nominated Councillors of a member local authority who will attend the open session of the Congress, but who may not attend, participate or vote during the private session of the Congress meeting or the General Assembly meeting and who will not have the any voting rights as a representative or delegate of a member local authority;
- (d) "Board" means the Board of Directors of the Company constituted under Article 16 and, with reference to the Constitution, the Management Committee ;
- (e) "Chief Administrative Officer" means the Chief Administrative Officer of the Company;
- (f) "Committee" means any committee established by the Board and "committee members" means the member of such committees;
- (g) "Congress" means the five yearly general meeting of the company established under article 10 of these articles and extraordinary or special meetings shall have similar meanings;
- (h) "Constitution" means the original founding document of the Company prior to its incorporation under the Act;
- (i) "executive committee" means the executive committee established under article 18 of these articles and includes with reference to the Constitution, the executive committee established thereunder;
- (j) "general assembly" means the an annual general meeting called the general assembly meeting referred to under Article 13 of these articles and extraordinary or special annual general meeting shall *mutatis mutandis* have corresponding meanings.
- (k) "Local Authorities" means the governing bodies referred to in section 6(3) of the Local Authorities Act 1992 (Act 23 of 1992) as declared as such in terms of section 3 of the Local Authorities Act 1992 (Act 23 of 1992); as amended from time to time and "local government" or "local authority council" shall have a corresponding meaning.
- (l) "memorandum" means the memorandum of association of the company in force for the time being;
- (m) "Municipality" means a municipality as defined under section 1 of the Local Authorities Act 23 of 1992 and as amended from time to time and Part 1 Municipality shall mean the municipality listed under Part 1 in Schedule 1 of the Local Authorities Act, 1992 (Act 23 of 1992) and as amended from time to time. "City" in relation to a Part 1 Municipality shall have a corresponding meaning.
- (n) "Namibia" means the Republic of Namibia;
- (o) "person" includes any company incorporated or registered under any law and any body of persons corporate or incorporate where opposite;



- (p) "President" means the president referred to and elected in terms of article 11 of these articles and Vice-president shall have a corresponding meaning;
- (q) "Region " means the region in respect of which a regional council has been established and which is specified in column 2 of Schedule 1 of the Regional Councils Act 1992 (Act 22 of 1992);
- (r) "representative or delegate of a region or local authority" means the elected representative of a member or a region for purpose of the ratio representation contained in article 6.1.5 and subject to qualification to act as a representative as contained in the rules adopted by the congress: Provided that a member may attend an open session of Congress through attendees;
- (s) "these articles" means the articles of association of the company;
- (t) Words and expressions defined in the Act, and which are not otherwise defined in these articles, shall have the meaning assigned thereto by the Act.

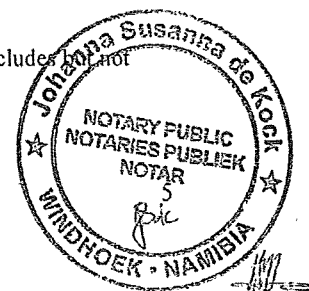
3. RESTRICTIONS

The company is an association incorporated not for gain and consequently-

- 3.1 It is not restricted in the number of its members;
- 3.2 It intends to apply its income and profits (if any) exclusively towards promoting its main objects;
- 3.3 It is prohibited from the payment of dividends to its members; and the liability of its members is limited by guarantee as contained in its memorandum of association.

4. AIMS AND OBJECT

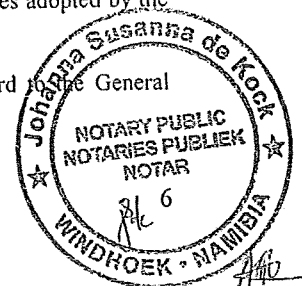
- 4.1 The main object and ancillary objects are defined in articles 3 and 4 of the Memorandum.
- 4.2 In addition the company's object its aims to –
 - 4.2.1 be a dynamic, self-sustaining organization that plays an advocacy role on behalf of local authorities, with a view to promoting and assisting its membership address socio, economic and political challenges at the local government level.
 - 4.2.2 protect, safeguard and enhance the image, interests, rights and privileges of Local Authorities within the ambits of this Constitutional.
 - 4.2.3 act as a link between the Central Government of the Republic of Namibia and all Namibian local authorities on all matters affecting its members.
 - 4.2.4 conduct studies with an aim to assess the status, functions, needs and other interests of local authorities and to take appropriate action based on the outcome of its findings without any fear of intimidation, alienation, change of status or any form of deprivation of rights.
 - 4.2.5 place, as its primary aim, the interests of the inhabitants of all its members which includes limited to the well-being of people, infrastructure and natural resources.



- 4.2.6 maintain reasonable independence of all local authorities as guaranteed by the Constitution and all sub-ordinate legislation while at the same time observing the need to consult central government.
- 4.2.7 ensure that duly elected local leadership is recognized as the primary and lawful representative organ of state at local level and to ensure that such organ is formally recognized as the lawful bargaining unit on behalf of the members of its town or village.
- 4.2.8 ensure full participation of women and youth in all the programs of the local government.
- 4.2.9 promote and participate in any national development goals as the Company may elect.
- 4.2.10 ensure that local authorities are fully involved in any matters of interest at regional and central government level and to ensure that such local governments are consulted by regional and central government before any decision is taken that would adversely affect the interests of local governments.

5. MEMBERSHIP

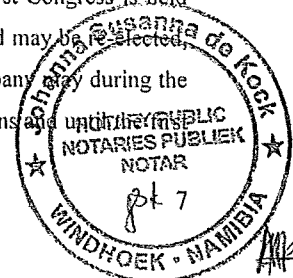
- 5.1 Membership of the company shall be unlimited in number, but subject to qualification for membership as contained herein.
- 5.2 Every local authority who:
 - 5.2.1 has unreservedly accepted the objects and aims of the company;
 - 5.2.2 has been declared as a local authority in terms of the Local Authority Act 23 of 1992; as amended from time to time, may be accepted by the Board as its member subject to such conditions as the Board in its discretion may impose; provided that such local authority complied with all the requirements contained in these articles; and subject to termination of such membership in terms of these articles and Rules;
- 5.2.3 A member shall cease to be a member of the Company:
 - 5.2.3.1 Upon its written resignation; or
 - 5.2.3.2 upon written notice to a member by the President of the Board upon decision by the Congress or if it is not in session, by the General assembly that its membership be terminated.
- 5.2.4 Membership under article 6 shall only cease if the Congress or if it is not in session, the General assembly meeting, terminate such membership due to wrongful or unlawful acts or violation of any provision of these articles or of a failure to be paid up in membership fees after following the procedures as set out in the Rules of procedure to be adopted by the Congress.
- 5.2.5 A member whose membership has been terminated shall have the right to re-apply for membership after expiry of 24 (twenty-four) months from the date of termination of its membership and if any arrear membership fees have been paid in full before admittance.
- 5.2.6 The Board may from time to time determine membership fees as set out in the Rules adopted by the Congress.
- 5.2.7 The Company may affiliate to any organization on the recommendation of Board to the General assembly and pay the applicable membership or association fees.



- 5.2.8 The terms and conditions of affiliation shall be discussed and approved by the General assembly meeting. The Company shall be represented on such affiliation by representatives of members assigned by the Board.

6. **VOTES OF MEMBERS**

- 6.1.1 Subject to paid up membership fees, attendance of the Congress' open session is unlimited in the number of delegated attendees, but such attendees will be subject to the member's own selection, decision and costs and provided that such attendees would have no voting rights.
- 6.1.2 Every member shall, subject to the provisions of these articles, the Rules and the fully paid membership fees, be entitled to be represented through representation of a qualifying local authority delegate, at any private session of the Congress or a General assembly meeting of the company.
- 6.1.3 Subject to any rights, restrictions or special conditions for the time being attached to any individual membership by decision of the Board, every member representative shall have one vote each and shall have equal voting rights per the number of representatives under article 6.1.5 at such Congress or General assembly provided that such member is fully paid up in membership fees.
- 6.1.4 The right of representation referred to under article 6.1.2 is subject to the ratio contained under subarticle 6.1.5 and subject to such member being fully paid up in membership fees and meeting the qualification criteria set out in the Rules.
- 6.1.5 The number of representatives to the private session of Congress or a General assembly shall consist of:
- 6.1.5.1 THREE (3) representatives from a specific local authority in case of a PART I Municipality, of which one (1) representative of the local authorities in that region, should also be elected by the above mentioned representatives to act as a regional representative;
 - 6.1.5.2 TWO (2) representatives from a specific local authority in case of a PART II Municipality of which one (1) representative of the local authorities in that region should also be elected by the above mentioned representatives to act as a regional representative;
 - 6.1.5.3 ONE (1) representative from town or village councils; and
 - 6.1.5.4 one (1) representative from each region: Provided that if a representative from a town or village council in subparagraph 6.1.5.3 has been nominated to be elected as a regional representative to serve on the Board, such a member town or village council may substitute its nominated member with a new member representative for purposes of subarticle 6.1.5.3.
- 6.1.6 A representative of a local authority for purposes of Article 6.1.5 is elected by such local authority council, but must meet the qualification criteria contained in the Rules accepted by the Congress and will represent such local authority council for a period of five years until the first Congress is held following a general local authority council election under section 8 of the Act and may be re-elected unless suspended or removed as determined in the Rules: Provided that the Company may during the transitional period for the six months following the general local authority elections and until the first



Congress takes place, cover the attendance costs and subsistence and travelling expenses of a representative of a local authority council or region who has not been re-elected as a local authority councillor and who has to attend a General Assembly or Director's or Executive Committee meeting or has been delegated to act on behalf of or representing the Company in any other official business.

6.1.7 Voting by proxy may take place during the private session of the Congress and the General Assembly, but no voting by way of proxy shall be allowed or be made during meetings held by the Board or Executive Committee.

6.1.8 The Forms and procedures to be used for voting by proxy shall be as set out in the Rules of the Company.

7. VARIATION OF RIGHTS

Unless otherwise provided by the terms and conditions of membership the special rights or restrictions attached to membership may be amended, modified, varied or cancelled by the General assembly meeting, provided that any such amendment, modification, variation or cancellation which directly or indirectly and adversely affect the special rights or restrictions attached to all or any members may only be effected with the prior sanction of a resolution passed at an extra ordinary or special General assembly meeting, of the members in question in the same manner, *mutatis mutandis*, as a special resolution and the provision of these articles relating to the General assembly meeting shall apply to any such extraordinary or special General assembly meeting, except that a quorum at any such General assembly meeting shall be at least be the majority of voting members Provided that if at any adjournment of such meeting a quorum is not so present then the provisions of these articles to adjournment of the General assembly meeting shall apply.

8. REGISTER OF MEMBERS AND MEMBER REPRESENTATIVES

8.1 The company shall maintain a register of members and member representatives of the company at its registered office , or at an office where the work of making it up is done. The register of members shall be open to inspection as provided in section 120 of the Act.

8.2 The register shall contain:

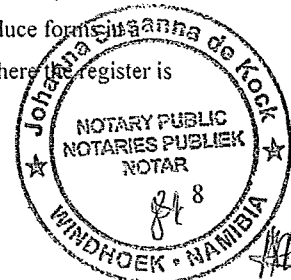
8.2.1 The names and addresses of each member

8.2.2 The terms and conditions of membership and in respect of each member:

8.2.2.1 The date on which the name was entered in the register as a member, and

8.2.2.2 The date of ceasing to be a member.

8.3 The register may be kept either by making entries in bound books or by recording particulars required in any other manner and, in the case of a person who has ceased to be a member also by microfilm or microcard or by miniature photographic or other process which accurately reproduce forms on a durable medium for recording and reproducing such particulars: Provided that where the register is



not kept by making entries in bound books adequate precaution shall be taken for guarding against falsification and facilitating its discovery.

3.4 The register of members shall during normal business hours (subject to such reasonable restrictions as the company in a General assembly Meeting may impose, so that not less than two hours in each day be allowed for inspection) be open for inspection by any member or its duly authorised representative free of charge.

9. GOVERNING FRAMEWORK

9.1 The principle governing organ of the Company shall be the Congress. When the Congress is not in seating, the General assembly-, and if it is not in session, the Board-, and if the Board is not in session, the Executive Committee shall serve as the governing organs of the Company.

9.2 The Congress may delegate its powers, duties and functions to the General assembly, Board or Executive Committee or the President.

9.3 The General assembly may similarly delegate its powers, duties and functions to the Board, Executive Committee or President.

9.4 The Board may with the approval of the General assembly, in writing delegate its powers, duties and functions to the Executive Committee.

9.5 The executive Committee may with approval of the Board, delegate in writing its powers, duties and functions to the President.

10. CONGRESS

10.1 The company shall hold its first annual general meeting for all its members, called a Congress for purpose of these articles, within eighteen months after the date of its incorporation, which had been complied with.

10.2 A Congress shall thereafter be convened, not later than six (6) months, after every 5-yearly-general election of the local authority councilors have been held as contained in section 8 of the Local Authorities Act 23 of 1992.

10.3 The private session of the Congress shall be the governing organ and final decision making organ of the Company.

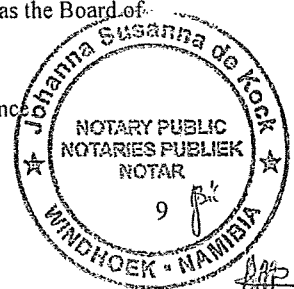
10.4 The Congress shall be held at such time and place as the Board may determine.

10.5 The Congress is convened not later than six months after every general local authority councillors elections held, to, amongst others during the private session:

10.5.1 Elect the President and Vice President,

10.5.2 Elect the Board Directors nominate and elected as representatives under article 16.3 as the Board of Directors.

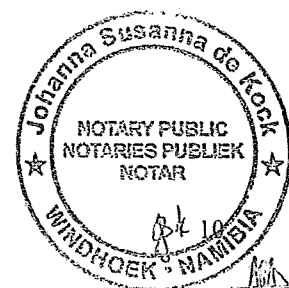
10.5.3 Consider audited financial statements and review the Company's financial performance



- 10.5.4 Appoint or re-appoint Auditors and bookkeepers.
- 10.5.5 Approve the five year programme of action, business plan and the budget of the Company as approved by the Board in respect of the ensuing five years.
- 10.5.6 Adopt and approve or amend Rules of Procedure to accept, discipline or suspend members, determine qualification criteria for representatives to be elected to represent members at Congress or General assembly meetings, the Board or Executive Committee or delegation, Membership fees and any other matter to further and efficiently manage the Company.
- 10.5.7 The Congress will have two sessions *to wit* an open public and private session convened over a number of days as may be determined by the board. For purposes of this article, an open public sessions are those sessions open to specific invited attendees or individuals for presentation purposes and private sittings are strictly for the member representatives or delegates to the Congress.

11. ELECTION OF PRESIDENT AND VICE-PRESIDENT

- 11.1 There shall be a President and Vice-President who shall be elected by secret ballot by the Congress in its private sitting. In order to be eligible for either of these positions:
 - 11.1.1 The Presidents and Vice-President must be a Member of the Board and must have served on such Board for a period of not less than 2 years. The Vice President must have served on the Board for a period of at least 1 year.
- 11.2 The President and Vice-President's terms of office shall be five (5) years unless he or she dies or resigns before the expiry of the said term or is removed from office.
- 11.3 Both the President and Vice-President shall be removed from office if a two-thirds majority of all the members present at the Congress, confirmed by a two-thirds majority of such members, adopt a resolution impeaching such individual on the ground that he or she has been guilty of a violation of this these articles or is disqualified in terms of section 13(1)(b) of the Local Authorities Act 23 of 1992.
- 11.4 A person shall hold office as President and Vice-President for not more than two consecutive terms.
- 11.5 If the President or Vice-President dies, resigns or is removed from office in terms of these articles, the vacant position shall be filled for the unexpired period thereof in terms of article 17.2.13.
- 11.6 The President shall: -
 - 11.6.1 preside and act as chairperson at all meetings of the Congress, General assembly, Executive Committee and the Board;
 - 11.6.2 be the custodian of the decisions taken by Congress, General assembly, Executive Committee and the Board;
 - 11.6.3 enforce observance of the governance framework;
 - 11.6.4 sign all correspondence, contracts and minutes of the meetings;



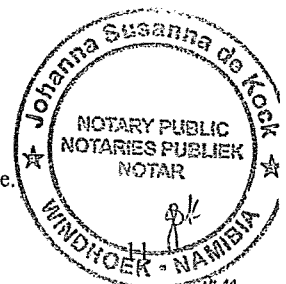
- 11.6.5 delegate such other functions as are necessary to the Vice President;
- 11.6.6 perform such other duties as may be associated with this office;
- 11.6.7 represent the Company at all formal or ceremonial occasions; and
- 11.6.8 perform such other functions as may be delegated by the Congress, General assembly; Executive Committee and/or Board from time to time.
- 11.7 The Vice President shall:-
 - 11.7.1 carry out such functions as are delegated to him or her by the President; and
 - 11.7.2 represent the President in carrying out such of the President's duties as may be required by him or her from time to time.
- 11.8 If the President is absent or unable to act as President or Chairperson, the Vice-President will automatically act as President and shall perform the duties and functions of the President until the Congress or if not in sitting until the next General assembly.
- 11.9 In the event both the President and Vice-President are absent or unable to act as Chairperson, the meeting must elect a person to act as Chairperson of that particular meeting.
- 11.10 No resolution taken in the absence of the President or Vice-President shall be invalid for purpose of absence of such person.

12. HONORARY MEMBERS

The Company may, during a Congress meeting, on the recommendation of the Board, award an Honorary status membership to a person, who has in the opinion of the Board rendered meritorious service to the Company or local government. The criteria for the nomination of such member shall be determined by the Rules and be subject to the approval by Congress.

13. GENERAL ASSEMBLY

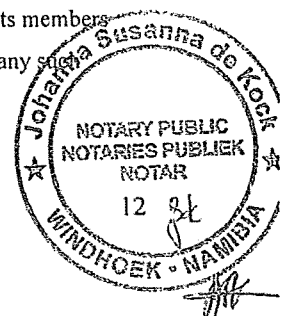
- 13.1 An annual general meeting of all members as per the ration in subarticle 6.1.5, called General Assembly, shall be held within six months after the expiration of every financial year of the Company
- 13.2 A General Assembly shall serve the purpose where all matters of common interest shall be discussed and determined.
- 13.3 The General Assembly shall be convened by the President in consultation with the Board and shall have the power to:
 - 13.3.1 determine all the issues of the Company.
 - 13.3.2 Assess the progress made with the implementation of the resolutions of the Congress.
 - 13.3.3 Approve audited financial statements and review the Company's financial performance.



- 13.3.4 Approve the budget in respect of the ensuing year taking into account the business plan approved by the Congress.
- 13.4 An Extra Ordinary General Assembly meeting of the Company may be convened by the President acting on behalf of the Board or at a request in writing, to the Board, signed by the majority of the voting members of the Company. The request for the Extra Ordinary General Assembly Meeting by the members shall only be granted if so requested in writing by the majority of the voting members of the Company. The Board shall within 60 days after receipt of such request, convene an Extra Ordinary General Assembly Meeting of the Company. The power to elect office bearers as reflected under articles 11 (president and Vice President) and article 16 (Board) is vested in the Congress or if not in session by the General Assembly.
- 13.5 The President acting on behalf and in consultation with the Board shall at the Board's sole discretion determine the date and venue of the General Assembly meeting and such decision is final.
- 13.6 The General Assembly meeting may only discuss or determine any matter of which notice has not been duly given and which has not been incorporated in the agenda, save where two third of the majority of the delegates present and/or by proxy are in favour thereof.
- 13.7 Despite the absence of a representative of a member who placed an item on the agenda, a General Assembly meeting may nevertheless debate and decide upon that item.

14. NOTICE OF GENERAL MEETINGS

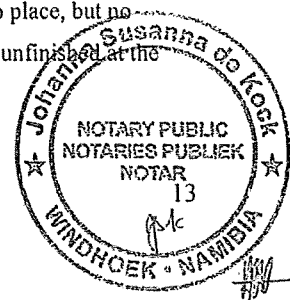
- 14.1 An Annual General Assembly meeting and a meeting called for the passing of a special resolution shall be called by not less than twenty-one clear days' notice in writing and any other General Assembly meeting shall be called by not less than fourteen clear days' notice in writing.
- 14.2 The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the company in general meeting, to such persons as are, under these articles, entitled to receive such notices from the company:
- 14.3 Notwithstanding subarticle 14.1, a meeting of the company shall, notwithstanding the fact that it is called by shorter notice than that specified in this article, be deemed to have been duly called if it is so agreed to by a majority in number of the members having a right to attend and vote at the meeting and if at least seventy two hours prior notice has been given.
- 14.4 No resolution of which special notice is required to be given in terms of the provisions of the Act shall have effect unless notice of the intention to move it has been given to the company not less than twenty one days before the meeting at which it is moved, and the Company shall give its members notice of such resolution at the same time and in the same manner as it gives notice of any special meetings.



- 14.5 A member receiving notice must confirm its attendance or that it will be represented in writing by proxy and the General Assembly will only proceed if one third of voting members confirm their attendance in writing or by proxy.

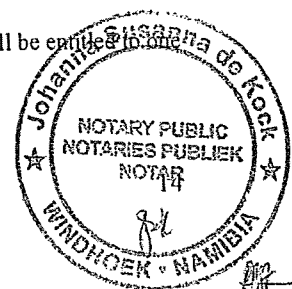
15. **PROCEEDINGS AT GENERAL ASSEMBLY MEETINGS**

- 15.1 The annual General Assembly meeting shall:
- 15.1.1 deal with and dispose of all matters prescribed by the Act,
 - 15.1.2 the consideration of the annual financial statements and Audit reports,
 - 15.1.3 the endorsement of Directors if the Congress is not in Session;
 - 15.1.4 the remuneration and benefits of representatives of members, the President, vice President, Directors and Executive Committee
 - 15.1.5 the appointment or noting of the appointment of an auditor, and
 - 15.1.6 may deal with any other business laid before it. All business laid before any other General Assembly meeting shall be considered special business.
- 15.2 No business shall be transacted at any General Assembly meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, on third of members present in person or by proxy, shall be a quorum.
- 15.3 If within half an hour after the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to a day not earlier than seven days and not later than twenty-one days after the date of the meeting and if at such adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting the members present in person or by proxy, shall be a quorum.
- 15.4 Where a meeting has been adjourned as aforesaid, the company shall, upon a date not later than three days after the adjournment send a written notice to each member of the company stating-
- 15.4.1 the date, time and place to which the meeting has been adjourned;
 - 15.4.2 the matter before the meeting when it was adjourned; and
 - 15.4.3 the ground for the adjournment.
- 15.5 If at any meeting the President or Vice President is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall elect one of their number to be chairman.
- 15.6 The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the



meeting at which the adjournment took place. When a meeting is adjourned, the provisions of articles 15.4 shall *mutatis mutandis* apply to such adjournment.

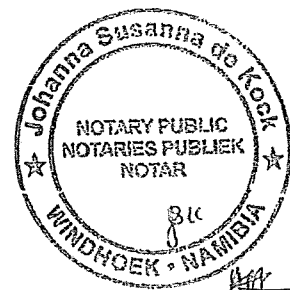
- 15.7 At any General Assembly meeting, a resolution put to the vote of the meeting, shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the President or members referred to in section 206 (1) (b) of the Act, and unless a poll is so demanded, a declaration by the President that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or negatived, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.
- 15.8 A poll demanded on the election of a President or chairman or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the President directs. The demand for a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question upon which the poll has been demanded.
- 15.9 If a poll is duly demanded it shall be taken in such manner as the President directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. Scrutinisers shall be elected to determine the result of the poll.
- 15.10 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.
- 15.11 Votes by proxy shall be as per the Forms and Rules of the Company.
- 16. BOARD OF DIRECTORS**
- 16.1 There shall be a Board of Directors for the Company (previously reflected in the Constitution as the Management Committee) and it is hereby established.
- 16.2 Until Directors are appointed under Article 16.3, whether or not the Directors have been named by a majority of subscribers of the memorandum, every subscriber of the Memorandum or its revision shall be deemed for all purposes to be a Director of the company.
- 16.3 Subject to consent to act as Director a set out in Section 219 of the Act, the Board shall consist of the following Directors:
- 16.3.1 President and Vice-President,
- 16.3.2 a representative from each region as designated and meeting the qualification criteria as set out in the Rules, to serve as their respective regions' Director ;
- 16.3.3 a representative Director from each Part I Municipality; and
- 16.3.4 notwithstanding the provisions of clause 16.3.3, the Municipality of Windhoek shall be entitled to one (1) additional Director.



- 16.3.5 All the designated Directors of the Board will be for purpose of section 218 of the Act be submitted and be endorsed individually by Congress. During such endorsement, no discussions or voting shall take place.
- 16.3.6 A Director of the Board will serve for a period of five years and may be re-elected, but may not serve more than two consecutive terms.
- 16.3.7 All Directors of the Board are automatically entitled to attend all Congresses, General Assembly meetings and Extra ordinary or Special Meetings of the Company and shall have all the rights enjoyed by any other .
- 16.3.8 Notwithstanding the provisions of 16.3.2, in the event of death of a director, or where he/she resigns or being suspended, the vacancy shall be seen and filled as a casual vacancy and the region shall designate a representative to serve as such. For purposes of this section, any person so designated shall for all purposes be deemed to be so endorsed by the Congress and the General Assembly meeting,
- 16.3.9 In order to ensure that the functions of the Company are properly executed, the Board may from time to time co-opt or form special sub-committees to assist in any manner the Board might deem necessary. Such committees will merely act in an advisory capacity and shall not have any decision or binding powers on the Company or any of its organs.

17. POWERS AND FUNCTIONS OF THE BOARD

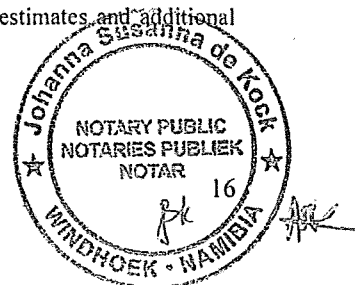
- 17.1 The business of the Company shall be managed by the Board of Directors who may pay all expenses incurred in promoting and incorporating the Company, and may exercise all such powers of the Company as are not by the Act, or by these articles, required to be exercised by the Company in General Assembly meeting, subject to these articles, to the provisions of the Act, and to such regulations, not inconsistent with the aforesaid articles or provisions, as may be prescribed by the Company in General Assembly meeting, but no regulation prescribed by the Company in general meeting shall invalidate any prior act of the directors which would have been valid if such regulation had not been made.
- 17.2 The Board shall in addition to its general powers under article 17.1 have the power to:
- 17.2.1 Open any banking account;
- 17.2.2 Invest money;
- 17.2.3 Appoint the chief administration officer, who will also act as a secretary;
- 17.2.4 Determine the signatories required for the operation of any banking account;
- 17.2.5 Develop, review and adopt the Company's administrative policies
- 17.2.6 Appoint and dismiss the chief administrative officer and staff members.
- 17.2.7 Direct and control the activities of the Executive Committee.
- 17.2.8 Establish from time to time such committees as it may deem necessary to advise it generally or in relation to any particular matter in the exercise of any of its powers or the performance of any of its



- duties and functions and may appoint such members or such other persons as it may deem fit to be members of such committees.
- 17.2.9 Determine the specific Terms of references and operations of such Committees and include the same within the Rules of the Company.
- 17.2.10 Appoint the Chairperson of Sub-Committees / Ad hoc Committees
- 17.2.11 Submit a report of its activities during the term of office to the Congress and General Assembly;
- 17.2.12 Elect from amongst the members of the Board three (3) members to the Executive Committee;
- 17.2.13 Fill any vacancy, which occurs in the office of the Presidency or Vice Presidency between congresses, subject to ratification by the General Assembly meeting. Notwithstanding anything contained herein, any appointment by the Board shall be of force and effect from the date of the appointment but such appointment shall *ipso facto* lapse if not ratified by the General Assembly meeting.
- 17.2.14 The Board may from time to time entrust to or confer upon the President or Director or office administrator or staff member, for the time being, such of the powers and authorities vested in them as they may think fit, and may confer such powers and authorities for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think expedient, and they may confer such powers and authorities either collaterally or to the exclusion of, or in substitution for, all or any of the powers and authorities of the Board and may from time to time revoke or vary all or any of such powers and authorities.
- 17.3 The Board shall be accountable in terms of the Act and to Congress or if it is not in session, to the General Assembly Meeting on all its activities.

18. EXECUTIVE COMMITTEE

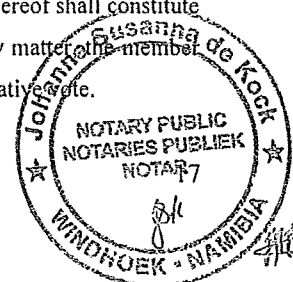
- 18.1 There is hereby established an Executive Committee consisting of the President, Vice President and three (3) Directors of the Board, elected by the Board for a five year period, which Committee shall be required-
- 18.1.1 to ensure that the decisions of the Board are carried out;
- 18.1.2 to consider any matter entrusted to the Executive Committee by the Board and to make any recommendation to the Board,
- 18.1.3 to prepare and compile for the approval of the Board the estimates and supplementary estimates of revenue and expenditure of the Company;
- 18.1.4 to control the expenditure of moneys voted by the Board in its approved estimates and additional estimates and all other moneys or funds made available to the Company;



- 18.1.5 to report at meetings of the Board on the exercise of the powers and the performance of the duties and functions of the Executive Committee;
- 18.1.6 to exercise any power conferred upon the Executive Committee under any provision of this Constitution.
- 18.1.7 to exercise any power of the Board as delegated to it by Congress or General Assembly;
- 18.1.8 With the approval of the Board, to buy or where appropriate, hire or lease immovable property, materials, goods or services needed for proper office administration.
- 18.1.9 subject to the approval of the Board to enter into contracts on behalf of the Company.
- 18.1.10 subject to the approval of the Board, to institute or defend any legal action on behalf of the Company.
- 18.1.11 to do all other necessary things required for the attainment of the objectives of the Company.
- 18.1.12 determine all remunerations and conditions of service for all the employees after the approval of the Board.
- 18.1.13 to inquire on any issues pertaining to the employees and institute disciplinary process against any employee where necessary.
- 18.1.14 to direct and control the day to day activities of the secretariat and to report to the Board on such activities.

19. MEETINGS OF THE BOARD

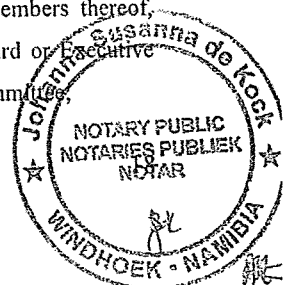
- 19.1 All meetings of the Board shall be convened by the President or in his or her absence, the Vice - President.
- 19.2 There shall be regular meetings as per article 19.5 to ensure that the resolutions of the Congress, and Board are executed and that all new business is dispensed with.
- 19.3 Notwithstanding the provisions of article 19.1, other members of the Board may convene a Special Board meetings provided that at least two third of the members of the Board have called such a meeting.
- 19.4 The request for a special meeting shall be in writing and must be signed by such requesting members of the Board and submitted to the chief administrative officer who shall, upon receipt of such request, within 14 days convene a special meeting of the Board.
- 19.5 Meetings shall be held at such places, and such times, as may from time to time be determined by the chief administrative officer in consultation with the President, but not less than 3 times in every year reckoned from the first day of January and at intervals of not more than 4 months.
- 19.6 The decision of the majority of the members of the Board present at a meeting thereof shall constitute a decision of the Board, and, in the event of an equality of votes relating to any matter, the member presiding at the meeting shall have a casting vote in addition to his or her deliberative vote.



- 19.7 The Board may make standing rules in connection with the convening and holding of, and procedure at, its meetings, including the conditions on which a language other than the official language may be used by a member during discussions at such meetings. Where no such rules are made, the Board will be guided by the Standing Rules of Order as made by the Minister for local authorities in terms of section 14(6) of the Local authorities Act 23 of 1992.
- 19.8 The chief administrative officer or, if he or she is absent from a meeting of the Board, the person acting as chairperson shall cause minutes to be kept in the official language of all proceedings at such meetings, and the chief administrative officer shall cause such minutes to be entered in one or more books kept by the chief administrative officer for that purpose.
- 19.9 The minutes of the proceedings at any meeting of Board shall be submitted at the next ordinary meeting of the Board for confirmation under the signature of the chairperson and the chief administrative officer.
- 19.10 Subject to the provisions of the Act, a resolution in writing, signed by all the directors, shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held.
- 19.11 The continuing directors may act notwithstanding any vacancy on their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these articles as the necessary quorum of directors, the continuing directors may act for the purpose of increasing the number of directors to that number, or of convening a general meeting of the company, but for no other purpose.
- 19.12 All acts done by any meeting of the directors or a committee of directors or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such directors or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and were qualified to be a director.

20. VACATION OF OFFICE

- 20.1 A Director of the Board, Executive Committee or Representative of a local authority or region shall vacate his or her office as such Director or Representative-
- 20.1.1 subject to the Rules, if he or she ceases to be a member of the local authority council or to reside in a region;
- 20.1.2 at the expiry of his or her term of office,
- 20.1.3 if he or she is absent without the leave of the local authority from a meeting of the General Assembly or
- 20.1.4 if he or she is absent without the leave of the meeting of the Board or Executive Committee, or if the Board or Executive Committee has authorised the President to grant leave to members thereof, without the leave of the President, from 2 (Two) consecutive meetings of the Board or Executive Committee and his or her absence is not condoned by the Board or the Executive Committee,



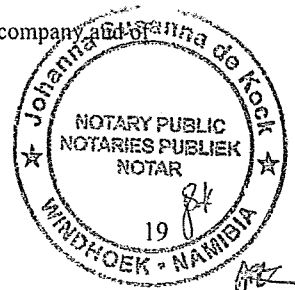
- 20.1.5 if the Congress or if not in session, the General Assembly or other Board Directors resolve by a majority of all the members at Congress , or if not in session, the General Assembly or Directors of the Board, that they have no confidence in such Director or Representative;
- 20.1.6 if in the case of an ex officio Director of a Board, he or she ceases to be the President or Vice-President of the Company;
- 20.1.7 if he or she by notice in writing addressed and delivered to the chief administrative officer, resigns as a Director of the Board or as a Representative of a member local authority or of a region.
- 20.2 The Director shall vacate office if the Director-
- 20.2.1 ceases to be a Director or becomes prohibited from being a Director by virtue of any provision of the Act; or
- 20.2.2 resigns his office by notice in writing to the Company and the Registrar; or
- 20.2.3 is directly or indirectly interested in any contract or proposed contract with the Company and fails to declare his interest and the nature thereof in the manner required by the Act.
- 20.3 Where a vacancy occurs in the Board as a result of the provisions of Articles 20.1 or 20.2, the region shall designate a representative to serve as such in terms of article 16.3.2.

21. ESTABLISHMENT OF THE SECRETARIAT

- 21.1 There shall be a Secretariat which shall be the Company's administrative organ. The Secretariat shall consist of the chief administrative officer and any other staff members employed by the Company whether on a permanent or casual basis.
- 21.2 The chief administrative officer shall be the head of the Secretariat and shall act on the directions and control of the Executive Committee. The Secretariat shall be accountable to the Executive Committee.
- 21.3 The duties, functions, remuneration and conditions of service of the staff members shall be determined by the employment agreement and the Personnel Rules of the Company in consultation with the Board.

22. INSPECTION OF MINUTES

- 22.1 The directors shall, in terms of section 204 of the Act, cause minutes to be kept-
- 22.1.1 of all appointments of officers;
- 22.1.2 of names of directors or representatives of members present at every meeting of the company and of the directors; and
- 22.1.3 of all proceedings at all such meetings of the company.



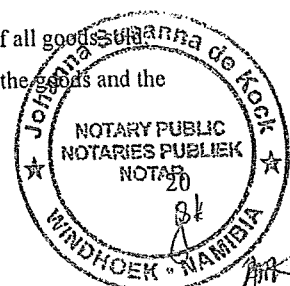
- 22.2 Such minutes shall be signed by the President acting as chairman of the meeting at which the proceedings took place or by the chairman of the next succeeding meeting.
- 22.3 The minutes kept of every Congress-; General Assembly-, Board or Executive Committee meeting and annual general meeting of the company under section 204 of the Act, may be inspected and copied as provided in section 113 of the Act.

23. FUNDS

- 23.1 The funds of the Association shall consist of membership fees, any moneys received by way of donations, any interest or dividends derived from investments made by the Association and any funds accruing to the Association from any other lawful source.
- 23.2 All moneys of the Association must be deposited in a bank account and payments must be made by cheques signed by persons authorized thereto by the Board . All the Associations bank account must be opened in its own name and on the directions of Board .
- 23.3 Any monies in an account referred to in clause 23.2 which is in excess of the Association's short term requirements may be invested with a bank registered in terms of the then existing Namibian Banking Institutions Act 2 of 1998 or invested in Namibian Treasury Bonds, but subject to any Policy which may be determined by a Congress from time to time with regard to investments.
- 23.4 All payments must be verified by appropriate documentary proof.
- 23.5 The accounts and balance sheets of the Association must be checked and certified by a person or persons who have sufficient knowledge of accounting. The certified statements must be submitted to the Congress during its private sitting for approval.

24. ACCOUNTING RECORDS

- 24.1 The Board shall keep or cause to be kept in the official language of Namibia, such accounting records as are prescribed by section 292 of the Act as are necessary to fairly present the state of affairs and business of the company and to explain the transactions and financial position of the company including-
- 24.1.1 Records showing the assets and liabilities of the company;
- 24.1.2 A register of fixed assets showing the respective dates of acquisition and costs thereof, depreciation, if any, the respective dates of disposals and the consideration received in respect thereof;
- 24.1.3 Records containing entries from day to day in sufficient detail of all cash received and paid out and of the matters in respect of which receipts and payments take place;
- 24.1.4 Where trade or business of the company has involved dealings in goods, records of all goods sold and the denoted and purchased and (except in the case of ordinary trade) records showing the goods and the



buyers, recipients and the sellers thereof in sufficient detail to enable the nature of those goods and those buyers, recipients and sellers to be identified, and

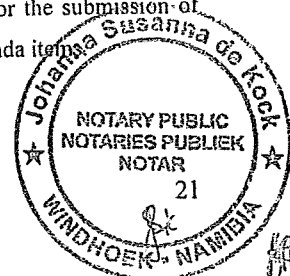
- 24.1.5 Statements of annual stocktaking and trading of stock.
- 24.2 Proper accounting records shall not be deemed to be kept, if are not kept as are necessary fairly to present the state of affairs and business of the company and to explain the transactions and financial position of the trade or business of the company.
- 24.3 The accounting records shall be kept at the registered office of the company or at such other place or places as the directors think fit, and shall always be open to inspection by the directors.
- 24.4 The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the company or any of them shall be open to inspection by members not being Directors, and no member (not being a Director) shall have any right of inspecting any accounting records or document of the company except as conferred by the Act or authorized by the directors or by the company in a General Assembly meeting.

25. FINANCIAL YEAR

The financial year of the Company shall be the financial year of local authorities in terms of the Local Authorities Act 23 of 1992 and as it might be amended from time to time

26. NOTICE AND COMPUTATION OF DAYS

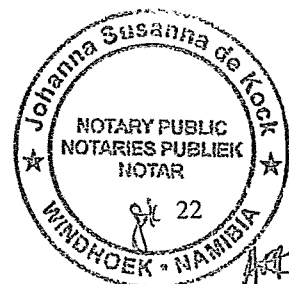
- 26.1 To ensure proper service of notice, various forms of notices are hereby prescribed for various meetings or platforms.
- 26.2 Save where otherwise intended, a notice for any meeting referred to herein shall have an agenda annexed to it.
- 26.3 Save where otherwise expressly intended:
- 26.3.1 "day" means any day of the week including Sundays and public holidays save where the contrary is expressly stated.
- 26.3.2 "month" means a calendar month, more specifically in reference to a number of months from a specific date, a calendar month commencing on that date or the same date of any subsequent month and "monthly" has the corresponding meaning;
- 26.4 A preliminary notice of the date of the Congress must be issued by the Chief Executive Officer at least four (4) months prior to the proposed Congress date. Such notice shall call for the submission of agenda items and shall contain closing dates for the submission or receipt of agenda items



- 26.5 No item shall be added to the agenda after the due date has lapsed save with the approval of Executive committee and upon the applicant furnishing reasonable explanation for the late submission of his/her item(s). In considering whether to add an item to the agenda after the due date, the primary determining will be the best interest of the Company.
- 26.6 The formal notice of any Congress must be issued by the Chief Executive Officer at least 30 days prior to Congress date and the agenda for such Congress must be served on all delegates at least 21 days prior to Congress date.
- 26.7 A notice may be given by the company to any member either by advertisement or personally, or by sending it by post in a prepaid letter addressed to such member at its registered address or (if the member has no registered address in Namibia) at the address (if any) within Namibia supplied to the company for the giving of notices to it.
- 26.8 Notice of every general meeting shall be given in any manner authorized-
- 26.8.1 to every member of the company except, in the case of notices to be given personally or sent by post, those members have not supplied to the company an address within Namibia for the giving of notices to them;
- 26.8.2 to the auditor for the time being of the company.
- 26.8.3 No other person shall be entitled to receive notice of general meetings.
- 26.8.4 Any notice by post shall be deemed to have been served at the time when the letter containing the same was posted, and in proving the giving of the notice by post, it shall be sufficient to prove that the letter containing the notice was properly addressed and posted.
- 26.8.5 A notice given to any member shall be binding on all persons claiming on his death or on any transmission of his interests.
- 26.8.6 The signature to any notice given by the company may be written or printed, or partly written and partly printed.

27. ANNUAL FINANCIAL STATEMENTS

- 27.1 The Board shall from time to time, in accordance with sections 286 and 288 of the Act, cause to be prepared and laid before the company in general meeting such annual financial statements and reports (if any) as are referred to in those sections.
- 27.2 A copy of any annual financial statements and reports which are to be laid before the company in annual General Assembly meeting, shall not less than twenty-one days before the date of the meeting be sent to every member of the company,



28. AUDIT

An auditor shall be appointed in accordance with Chapter 10 of the Act and the Auditor shall have the powers, duties and rights as set out in the Act..

29. AMENDMENT OF MEMORANDUM OR ARTICLES OF ASSOCIATION

29.1 Any member seeking to amend any provision of the Memorandum and Articles shall indicate the proposed amendments with reference to the specific provision sought to be so amended. Such member(s) shall give at least 30 days' notice before the Congress or General Assembly meeting, of the proposed amendment to the Memorandum or Articles to the chief administrative officer.

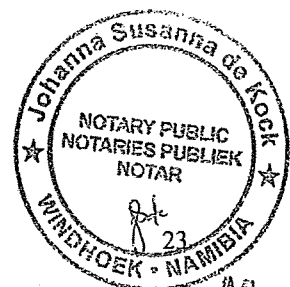
29.2 Notwithstanding the provisions of 29.1, any provision of the Memorandum or Articles may be amended by the majority of the delegation present and entitled to vote at the Congress or General Assembly meeting.

30. AMENDMENTS OF RESOLUTIONS

Any resolution of the Congress or General Assembly meeting may be revoked or amended upon the recommendations of the Board provided that the item regarding the revocation or amendment must form part of the Congress or General Assembly agenda and provided further that a two third majority of the delegates entitled to vote, vote in favor thereof.

31. WINDING-UP

Of the Company shall be wound up, voluntarily or otherwise, the assets remaining after paying of the debts and liabilities of the Company and the cost of liquidation shall be applied as provided for in clause 6 of the memorandum of Association



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