

NOTICE OF SPECIAL GENERAL MEETING TO MEMBERS

of the

THE SOUTH AFRICAN PAEDIATRIC ASSOCIATION

(the "Association")

NOTICE IS HEREBY GIVEN BY THE EXECUTIVE COMMITTEE THAT A SPECIAL GENERAL MEETING OF MEMBERS WILL BE HELD ON:

20 APRIL 2023 AT 16H00

VIA THE ZOOM VIRTUAL MEETING PLATFORM FOR THE PURPOSES OF CONSIDERING AND, IF DEEMED FIT, PASSING, WITH OR WITHOUT MODIFICATION, THE FOLLOWING SPECIAL RESOLUTIONS AND ORDINARY RESOLUTION SET OUT IN THIS NOTICE OF SPECIAL GENERAL MEETING.

AGENDA

1. Welcome and Constitution
2. Apologies
3. Special Business

The Members are to consider and, if deemed fit, approve, with or without amendments, the following proposed resolutions of the Association:

4. Special Resolutions

4.1 Special Resolution: Resolution Number 1:

Creation and Incorporation of a Non-Profit Company (to succeed the Association as contemplated in Resolution Number 2)

Proposed by the Executive Committee

4.1.1 Motivation

4.1.1.1 The Association was initially created as a specialty group under the umbrella of the South African Medical Association NPC ("SAMA") in the form of a voluntary association with members.

4.1.1.2 The Executive Committee is of the view that it would be prudent for the Association to break away from SAMA and to become its own independent and stand-alone legal entity. Additionally, the creation of a formal legal entity and structure will enable the Association to:

4.1.1.2.1 Enjoy recognition, acceptance and appreciation as a fully-fledged legal entity in the eyes of third parties;

4.1.1.2.2 Create certainty for the organisation and its members on the basis that it will operate under the statutory and regulatory framework provided by the Companies Act 71 of 2008 (the "Companies Act");

4.1.1.2.3 Create certainty and transparency through registration and record keeping by the Companies and Intellectual Property Commission (the "CIPC");

4.1.1.2.4 Simplify and improve compliance from a legal and taxation point of view; and

4.1.1.2.5 Simplify compliance by the organisation on various procedural fronts, i.e. complying with FICA requirements, due diligence investigations, interactions with banks and other third parties and stakeholders.

4.1.1.3 The Companies Act provides for a specific category of company described as a non-profit company. A non-profit company may be registered having members.

- 4.1.1.4 It is believed that a non-profit company would be the most suitable structure for the Association to be replaced with due to the possibility of all its current members becoming members of the intended non-profit company whilst enjoying the same organisational structure but with the benefit of a recognised standing as a juristic person.
- 4.1.1.5 It is recommended that the Association be succeeded by a non-profit company to be registered with the CIPC with a similar name and which will take over all of the rights, responsibilities, assets and liabilities and that can carry on the organisational purpose of the Association (the "Company").
- 4.2.2 **RESOLVED THAT:** a non-profit company be registered and incorporated with the CIPC to succeed the Association which company shall be called the **SOUTH AFRICAN PAEDIATRIC ASSOCIATION (RF) NPC.**
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4.2 **Special Resolution: Resolution Number 2:**

Dissolving the Association (subject to Special Resolution 1 above)

Proposed by the Executive Committee

4.2.1 Motivation

4.2.1.1 The reasons under Special Resolution 1 are repeated.

4.2.1.2 It would be prudent to dissolve the Association and to transfer the rights, responsibilities, assets and liabilities to the intended Company subject to Special Resolution 1 being implemented.

4.2.1.3 In terms of clause 18.1 of the Association's Constitution: "*The Association may dissolve if at least two-thirds of the members present and voting at a meeting convened for the purpose of considering the matter are in favour of dissolution.*"

4.2.2 **RESOLVED THAT:** The Association be dissolved subject to the creation, registration and/or incorporation of a non-profit company with the CIPC and pursuant to the transfer of all rights, responsibilities, assets and liabilities of the Association to the said Company.

4.3 **Special Resolution: Resolution Number 3:**

Approval of a Memorandum of Incorporation

Proposed by the Executive Committee

4.3.1. Motivation

4.3.1.1. By virtue of the adoption of Special Resolution 1, the Company will require a Memorandum of Incorporation which embodies the essential requirements of a non-profit company as prescribed by the Act.

4.3.1.2. The adoption of a Memorandum of Incorporation will, at its core, continue to display the nature, intent, objects, and governance provisions which has always been associated with the Association but will introduce the mechanisms required for the operation of a non-profit company and enhance and/or supplement the regulatory provisions.

4.3.1.3. A copy of the proposed Memorandum of Incorporation is attached to this Notice marked as Annexure A for consideration thereof by the Members.

4.3.2. **RESOLVED THAT:** The Memorandum of Incorporation attached hereto as Annexure A be adopted and registered with the CIPC.

4.4 **Special Resolution: Resolution Number 4:**

Transfer of Rights, Responsibilities, Assets and Liabilities from the Association to the Company

Proposed by the Executive Committee

4.4.1 Motivation

4.4.1.1 By virtue of the adoption of Special Resolutions 1 and 2, the Company will succeed the Association and carry on its organisational purpose.

4.4.1.2 The Constitution of the Association, at clause 18.2, requires the assets of the Association to be transferred to a similar public benefit organisation in terms of the Income Tax Act, which includes a non-profit company, in the event of the dissolution of the Association.

4.4.1.3 Insofar as the Association has rights, responsibilities and liabilities, whether in the form of debts, contractual obligations and/or related obligations to third parties, the first directors of the Company shall be responsible for negotiating with such third parties for the cession and/or transfer thereof to the Company upon its registration.

4.4.2 **RESOLVED THAT:** The rights, responsibilities, assets and liabilities be transferred from the Association to the Company and that the first directors of the Company be authorised to negotiate the cession and/or transfer thereof to the Company.

4.5 **Special Resolution: Resolution Number 5:**
Acceptance of Membership in the Company by members of the Association

Proposed by the Executive Committee

4.5.1 Motivation

4.5.1.1 The Companies Act requires that members apply for membership of a non-profit company.

4.5.1.2 All members of the Association automatically qualify for membership of the Company. For the sake of convenience, all members of the Association will be transferred and registered as members of the Company.

4.5.2 **RESOLVED THAT:** All members of the Association shall automatically qualify and shall be registered as members of the Company upon its incorporation and registration without any formal process being required by the members.

5. Ordinary Resolution

5.1 Ordinary Resolution: Resolution Number 6:

Appointment of Agent to Attend to Registration and related aspects at the CIPC

Proposed by the Executive Committee

5.1.1 Motivation

5.1.1.1 As a consequence of Special Resolution number 1 and 3, if adopted, registration of the Company with the proposed Memorandum of Incorporation will have to be effected at the CIPC.

5.1.1.2 The Association will require an agent to take the necessary steps to give effect to the registrations on to the CIPC platform and intends to appoint Dayne Clark of Fyfer Incorporated Attorneys.

5.1.2 **RESOLVED THAT:** The Association and the first directors / incorporators nominate, constitute and appoint Dayne Clark of Fyfer Incorporated with power of substitution to be the lawful Agent in their name, place and stead, to lodge and to sign any and all documentation that may be required by the CIPC to effect the registration of the Company and to register the Memorandum of Incorporation and to do all things necessary at the CIPC and generally for effecting the purposes aforesaid, to do or cause to be done whatsoever shall be requisite regarding the above Company until the registration and incorporation of the above Company has been effected.

6 Closure

PLEASE FIND ATTACHED THE FOLLOWING DOCUMENTS:

- a. Annexure A – Proposed Memorandum of Incorporation;
 - b. Proxy Form
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PLEASE NOTE THE FOLLOWING:

Members who cannot attend the meeting are requested to complete the proxy form and return it to the Secretary of the Association prior to the meeting so that a quorum can be reached.

Only members in good standing and who are not disqualified to vote are eligible to vote.

By order of the Chairperson of the Executive Committee

DR ANDREW REDFERN

5 APRIL 2023

C/O Healthman

HEALTH MANAGEMENT AND NETWORKING SERVICES (PTY) LTD (HEALTHMAN)

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