



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

MEMORANDUM OF INCORPORATION (MOI)

Making progress possible. **Together.**

Why amend the MOI?

Reference: Clause 13.3 of the CID Policy

- 13.3 The NPC must ensure that its MOI remains in line with the By-law and this Policy. The NPC must make whatever amendments are necessary to maintain ongoing consistency between the MOI, the By-Law and the Policy in the event of material amendments to the By-law or Policy.

MOI changes impacting the Company

Income Tax Act Compliance

- Includes the compliance requirements from SARS for the NPC to maintain its tax exemption status

Members` meetings

- Members` meetings may be conducted by way of electronic communication
- Quorum for members` meetings reduced from 20% to 10%

Annual Budget

- The Company shall submit an adjustment budget for the third and fourth quarter of each financial year, as approved at a board meeting, to the Executive Director by the end of March of the relevant year

Annual Report

- Within three months of the AGM, the Company must provide the Executive Director and the relevant sub-council(s) with an annual report on its progress in implementing its business plan during the previous financial year together with the audited annual financial statements and auditors report as adopted at the AGM

MOI changes impacting the Board

Board of Directors

- Persons eligible for election as a director must be members of the NPC

Board Meetings

- Any member of the NPC or local community may attend a board meeting subject to a written application the item and intended outcome at least 1 week prior to the board meeting
- Dates of board meetings to be held must appear on the website
- Board has the power to conduct a meeting entirely by electronic communication

MOI changes impacting the members

Membership

- Only property owners liable for the additional rate can apply for membership
- Membership cannot be denied to a person who qualifies for membership
- City of Cape Town is entitled to membership and 1 Vote

Termination of Membership

- Members will cease to be members when they receive a rates rebate
- When a member has not attended a members` meeting by person or by proxy for two consecutive years their membership is terminated, can immediately re-apply

MOI changes impacting the members con...

Voting

- Every member shall have one vote for every R10 million valuation, or part thereof, for each property to a maximum of 10 votes per property provided that the total number of votes assigned to one member under common ownership or control shall not exceed 33 1/3 percent of the total votes
- Where an individual member or members under common ownership or control own multiple properties within the CID, the votes are calculated as follows:
- Individual properties equal to or in excess of R5 million valuation are assigned 1 vote per R10 million valuation or part thereof, capped at 10 votes per property
- Individual properties with a valuation under R5 million are assigned 1 vote per R10 million valuation or part thereof, on the combined municipal valuation of such properties



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Thank you

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