

**MEMORANDUM OF INCORPORATION**

of

**MORNINGSTAR FLYERS ASSOCIATION NPC**

Registration number 2014/267363/08

## Table of Contents

	<b>Page No</b>
1. Interpretation.....	3
2. Adoption of Memorandum of Incorporation .....	6
3. Incorporation and Nature of the Company .....	6
4. Conflicts with the Companies Act.....	7
5. Objects of the Company.....	8
6. Powers of the Company.....	9
7. Fundamental Transactions.....	12
8. Amendment of the MOI.....	12
9. Rules .....	13
10. Members and membership .....	14
11. Termination of Membership .....	16
12. Register of Members.....	18
13. Members meetings .....	18
14. Directors .....	27
15. Officers and Committees.....	33
16. Powers and Duties of Exco .....	35
17. Registered office .....	35
18. Company records and accounting records.....	35
19. Access to Company Records.....	36
20. Financial year .....	37
21. Annual Financial Statements .....	37
22. Annual returns .....	38
23. Enhanced Accountability and Transparency .....	38
24. Reserves .....	38
25. Winding Up or Dissolution of the Company.....	39
26. Notices.....	39
27. Resolution of Disputes .....	40

## 1. Interpretation

1.1 In this MOI, capitalised words shall bear the same meanings as in the Companies Act and the following words shall, unless otherwise stated or inconsistent with the context in which they appear, bear the following meanings:

1.1.1 "**Airfield**" means the Morningstar Airfield, Van Schoorsdrif Road, Vissershok, Cape Town;

1.1.2 "**Annual General Meeting**" means a meeting held once every calendar year, but no more than 15 months after the date of the previous annual general meeting;

1.1.3 "**Associate Members**" means Social, Student and Temporary members who shall have no Voting rights;

1.1.4 "**Board**" means the board of Directors of the Company;

1.1.5 "**Business Day**" means any day other than a Saturday, Sunday or gazetted national public holiday in the Republic of South Africa;

1.1.6 "**Chairperson**" means the Chairperson of the Board of the Company;

1.1.7 "**Commission**" means the Companies and Intellectual Property Commission established in terms of section 185 of the Companies Act;

1.1.8 "**Companies Act**" means the Companies Act No. 71 of 2008, as amended from time to time;

1.1.9 "**Companies Regulations**" means the Companies Regulations of 2011 promulgated in terms of section 223 of the Companies Act, as amended from time to time;

1.1.10 "**Company**" means Morningstar Flyers Association NPC, registration number 2014/267363/08, a non-profit company incorporated in accordance with the laws of the Republic of South Africa;

1.1.11 "**Director**" means a Director of the Company;

1.1.12 "**Effective Date**" means the date on which this MOI is filed with the Commission;

- 1.1.13            "**Exco**" means the executive committee appointed by Members and approved by the Board to manage the day to day operations of the Company;
- 1.1.14            "**file**", when used as a verb, means to deliver a document to the Commission in the manner and form, if any, prescribed for that document;
- 1.1.15            "**Full Member**" means a member of the Company, with full membership as contemplated in the Companies Act, each of which holds one vote as member as contemplated in item 1(7) of Schedule 1 to the Companies Act;
- 1.1.16            "**Income Tax Act**" means the Income Tax Act No. 58 of 1962, as amended from time to time;
- 1.1.17            "**Member**" means a member of the Company, comprising Full Members and Associate Members;
- 1.1.18            "**MOI**" means this Memorandum of Incorporation of the Company, which shall become binding on the Company with effect from the date upon which the MOI is filed with the Commission;
- 1.1.19            "**Non-profit Organisation**" means a non-profit organisation as defined in the NPO Act;
- 1.1.20            "**NPO Act**" means the Non-profit Organisations Act, No 71 of 1997;
- 1.1.21            "**NPO Director**" means the Director of Non-profit Organisations, designated in terms of section 8 of the NPO Act;
- 1.1.22            "**Objects**" means the objects of the Company, as set out in clause 5;
- 1.1.23            "**Ordinary Resolution**" means a resolution adopted with the support of more than 50% of the voting rights exercised on the resolution;
- 1.1.24            "**Rules**" means "**rules**" and "**rules of a company**" as defined in the Companies Act;
- 1.1.25            "**SARS Commissioner**" means the Commissioner of the South African Revenue Services; and
- 1.1.26            "**Special Resolution**" means a resolution adopted with the support of at least 66 % of the voting rights exercised on the resolution.

1.2 In this Memorandum:

- 1.2.1 a reference to a "**section**" by number refers to the corresponding section of the Companies Act;
- 1.2.2 a reference to a "**paragraph**" by number refers to the corresponding paragraph in this MOI;
- 1.2.3 a reference to a "**Regulation**" by number refers to the corresponding regulation in the Companies Regulations;
- 1.2.4 any reference to a "**person**" includes any natural, juristic or quasi-juristic person, including without limitation any sole proprietorship, firm, partnership, trust, close corporation, company, undertaking, joint venture, authority or other incorporated or unincorporated entity or association;
- 1.2.5 references to a "**day**" shall be to any calendar day. Where any number of days or Business Days are prescribed in this MOI, those days shall be reckoned exclusively of the first and inclusively of the last day or Business Day (as the case may be), unless (in the case of days) the last day falls on a day not being a Business Day, in which event the last day shall be the next succeeding Business Day;
- 1.2.6 words importing the masculine gender include the feminine and neuter genders and *vice versa*; the singular includes the plural and *vice versa*; and natural persons include juristic persons, other corporate entities, unincorporated associations of persons and state entities, and *vice versa*;
- 1.2.7 any reference to an enactment includes any subordinate legislation made from time to time under that enactment, as may be amended from time to time;
- 1.2.8 words and expressions which are defined and used or have a particular meaning ascribed to them in a particular context in the Companies Act shall when used in this MOI in a similar context bear the same meaning unless excluded by the subject or the context, or unless this MOI provides otherwise;
- 1.2.9 the provisions of this MOI shall be interpreted in the same way as the provisions of the Companies Act (which forms part of the MOI of the Company in terms of section 19(1)(c)) are interpreted; and

- 1.2.10 each provision and each sentence and each part of a sentence in this MOI is separate and severable from each other, and to the extent any provision or sentence or part thereof is found to be illegal or unenforceable or inconsistent with or contravenes any provision of the Companies Act, or void, such may to that extent only be modified or severed from the MOI, so that the remaining part of that provision or sentence or part thereof, as the case may be, is legal, enforceable or consistent with or does not contravene the Companies Act or is not void.

## **2. Adoption of Memorandum of Incorporation**

- 2.1 This MOI is in a form unique to the Company, as contemplated in section 13(1)(a)(ii).
- 2.2 This MOI was proposed by the Board, and adopted by a Special Resolution of the Full Members.

## **3. Incorporation and Nature of the Company**

- 3.1 The Company is a Non-Profit Company, with members, as defined in the Companies Act.
- 3.2 The Company is, in terms of section 19(1)(c) read with section 15(2), incorporated in accordance with, and governed by:
- 3.2.1 the unalterable provisions of the Companies Act, that are applicable to Non-Profit Companies;
- 3.2.2 the alterable provisions of the Companies Act, that are applicable to Non-Profit Companies, subject to the limitations, extensions, variations or substitutions set out in this MOI; and
- 3.2.3 the provisions of this MOI.
- 3.3 This MOI does not necessarily refer to or address all of the provisions of the MOI of the Company as contemplated in paragraph 3.2. The persons bound by this MOI in terms of section 15(6), being, for the time being, the Company and each Director and prescribed officer of the Company, each member of the Exco, and each Full Member, are required to familiarise themselves with the relevant provisions of the Companies Act, including those contemplated by paragraph 3.2 and the provisions of this MOI,

as this MOI read together with the provisions of the Companies Act contemplated by paragraph 3.2 forms the MOI of the Company.

#### **4. Conflicts with the Companies Act**

##### **4.1 Notification of conflicts**

Any person bound by this MOI who has formed the view or forms the view or otherwise becomes aware that any provision of this MOI or any agreement entered into by the Company contravenes or is or has become inconsistent with any provision of the Companies Act (as it is amended from time to time), whether or not such provision is void or could be declared void by a court in terms of section 218(1) or a person could incur personal liability in terms of section 218(2) or otherwise, shall within 10 Business Days of forming that view or becoming aware of such contravention or inconsistency inform the Board in writing of the applicable contravention or inconsistency.

##### **4.2 No obligation to act inconsistently with the Companies Act**

4.2.1 Notwithstanding anything to the contrary contained elsewhere in this MOI, no person bound by this MOI shall be required, obliged or entitled in terms of this MOI to do or omit to do something in terms of this MOI to the extent that it is inconsistent with or contravenes any provision of the Companies Act.

4.2.2 Any person bound by the MOI who has complied with paragraph 4.1 and has done something or has failed to do something to the extent necessary so as not to be inconsistent with or contravene any provision of the Companies Act or to avoid personal liability under section 218(2) or otherwise in terms of the Companies Act, but as a result thereof has contravened any provision of this MOI which is void or is declared void by a court in terms of section 218(1), shall not for that reason alone be liable or responsible therefor under or in terms of this MOI with respect to any claim by any person bound by this MOI and entitled under or in terms of this MOI to do so, arising out of or in connection with any such act or omission.

##### **4.3 Board must address inconsistencies**

If any provision of the Companies Act is amended, or the Board is aware or informed of any inconsistency with or contravention of the Companies Act in terms of paragraph 4.1 or otherwise, then in addition to and without limiting the rights or

remedies of any other person in terms of this MOI or otherwise, the Board shall expeditiously:

- 4.3.1 assess that amendment to the Companies Act and/or that inconsistency or contravention;
- 4.3.2 obtain reasoned written external legal opinion if the Board deems it necessary with respect to any such alleged inconsistency or contravention; and
- 4.3.3 propose amendments to the agreement in question or propose the Special Resolutions required to appropriately amend the MOI, as the case may be, as is necessary so as to remove or eliminate or address any applicable contraventions or inconsistencies.

## 5. **Objects of the Company**

- 5.1 The main objectives of the Company are as follows:
  - 5.1.1 to promote the sport of flying and, in particular, that of Non Type Certified Aircraft;
  - 5.1.2 to carry out all the normal functions of an aviation related sporting and recreational Company in a non- profit manner;
  - 5.1.3 to control and operate the land lease from the owner of the Airfield;
  - 5.1.4 to manage an efficient, organised and safe aerodrome;
  - 5.1.5 to control the operation and safety of recreational flying in any area where the Company may have jurisdiction;
  - 5.1.6 to maintain the discipline of Members with regard to the requirements of the MOI and the Rules;
  - 5.1.7 to promote the Company's interest with the Aero Company of South Africa, the South Africa Civil Aviation Authority, the public and less privileged and previously disadvantaged individuals;
  - 5.1.8 to maintain ethical and professional standards; and
  - 5.1.9 to generally comply with such reporting requirements as may be determined by the SARS Commissioner or NPO Director from time to time.



5.2 Save as specifically provided in this MOI –

5.2.1 the legal powers and capacity of the Company are not subject to the restrictions, limitations or qualifications as contemplated in section 19(1)(b)(ii); and

5.2.2 the Company is not subject to any restrictive conditions or prohibitions contemplated in section 15(2)(b) or (c).

## 6. Powers of the Company

The purposes and powers of the Company are subject to the following restrictions, limitations and qualifications:

### 6.1 Use of assets and funds

6.1.1 The income, property and assets of the Company, however derived, shall be applied solely towards the promotion of its Objects, and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus, or otherwise howsoever, to the Directors of the Company, provided that nothing herein contained shall prevent the payment in good faith of reasonable remuneration to any officer or employee of the Company, for any services rendered to, or expenses incurred on behalf of, the Company.

6.1.2 The Company shall not provide a loan to secure a debt or obligation of, or otherwise provide direct or indirect financial assistance to, a Member or Director or a Member or Director of a related or inter-related company, or to a person related to any such Member or Director. The foregoing shall not prohibit a transaction if it:

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

6.1.2.2 constitutes an accountable advance to meet:

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

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

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

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

6.1.3 The Company is restricted to invest its funds:

6.1.3.1 with a financial institution as defined in section 1 of the Financial Institutions Protection of Funds Act No. 28 of 2001; or

6.1.3.2 in securities listed on a stock exchange as defined in section 1 of the Stock Exchanges Control Act No. 1 of 1985; or

6.1.3.3 in such other prudent investments in financial instruments and assets as the SARS Commissioner may determine after consultation with the Executive Officer of the Financial Services Board and the NPO Director,

provided that the provisions of this paragraph 6.1.3 shall not prohibit the Company from retaining any investment (other than any investment in the form of a business undertaking or trading activity or asset which is used in such business undertaking or trading activity) in the form that it was acquired by way of donation, bequest or inheritance.

6.1.4 The Company shall not use its resources directly or indirectly to advance, support or oppose any political party.

6.1.5 The Company shall open and operate at least 1 (one) banking account. All monies received by the Company shall be deposited into the banking account/s of the Company and all payments to be made by the Company shall be drawn against such banking account/s.

6.1.6 Any books of account, records or other documents relating to the Company must, regardless of whether such documents are kept in book form or not, be retained and carefully preserved by the Company for a period of not less than 4 (four) years after the date of the last entry in any book or document.

## 6.2 **Activities**

6.2.1 The Company is prohibited from carrying on any business, undertaking or trading activity, other than to the extent that:

6.2.1.1 the business, undertaking or trading activity:

- 6.2.1.1.1 is integral and directly related to its Objects;
- 6.2.1.1.2 is carried out or conducted on a basis substantially the whole of which is directed towards the recovery of cost; and
- 6.2.1.1.3 would not result in unfair competition in relation to taxable entities, or
- 6.2.1.2 the business, undertaking or trading activity, if not integral and directly related to its Objects as contemplated in paragraph 6.2.1.1, is of an occasional nature and undertaken substantially with assistance on a voluntary basis without compensation.
- 6.2.2 The Company may not have a share or other interest in any business, profession or occupation which is carried on by its Members.
- 6.2.3 The Company does not knowingly and will not knowingly become a party to, and does not knowingly and will not knowingly permit itself to be used as part of, an impermissible avoidance arrangement contemplated in Part IIA of Chapter III of the Income Tax Act, or a transaction, operation or scheme contemplated in section 103(5) of the Income Tax Act.
- 6.2.4 The Company shall take reasonable steps to ensure that each activity carried on by the Company is for the benefit of, or is widely accessible to, the general public at large, including any sector thereof (other than small and exclusive groups).
- 6.2.5 The Company will carry on all its activities in a non-profit manner and with an altruistic intent, for the benefit of the general public at large, including less advantaged sectors of the public.

### 6.3 **Payments by the Company**

The Company may not, directly or indirectly, pay any portion of its income or transfer any of its assets, regardless how the income or asset was derived, to any person who is or was an incorporator of the Company, or who is a Member or Director, of the Company, except:

- 6.3.1 as reasonable:

- 6.3.1.1 remuneration for goods delivered or services rendered to, or at the direction of the Company; or
- 6.3.1.2 payment of, or reimbursement for, expenses incurred to advance an Object, or
- 6.3.2 as a payment of an amount due and payable by the Company in terms of a *bona fide* agreement between the Company and that person or another; or
- 6.3.3 as a payment in respect of any rights of that person, to the extent that such rights are administered by the Company in order to advance an Object; or
- 6.3.4 in respect of any legal obligation binding on the Company.

#### 6.4 **Funding**

The substantial part of the Company's funding shall be derived from its Members.

### 7. **Fundamental Transactions**

- 7.1 The Company may not:
  - 7.1.1 amalgamate or merge with, or convert to, a profit company; or
  - 7.1.2 dispose of any part of its assets, undertaking or business to a profit company, other than for fair value, except to the extent that such a disposition of an asset occurs in the ordinary course of the activities of the Company and subject to the provisions of section 2 (2) of Schedule 2 of the Companies Act.

### 8. **Amendment of the MOI**

- 8.1 This MOI may be altered or amended only in the manner set out in section 16 or 17, being:
  - 8.1.1 in any manner necessary to correct a patent error in spelling, punctuation, reference, grammar or similar defect on the face of the document, by:
    - 8.1.1.1 publishing a notice of the alteration, in any manner required or permitted by this MOI or the Rules of the Company; and
    - 8.1.1.2 filing a notice of the alteration, or
  - 8.1.2 in compliance with a court order, effected by a resolution of the Board; or

- 8.1.3 at any other time if a Special Resolution to amend the MOI is proposed and adopted by the Full Members.
- 8.2 Any amendment of the MOI, save for an amendment contemplated in paragraph 8.1.1, may only be effected by a Special Resolution of the Full Members.
- 8.3 The provisions of this MOI shall at all times be consistent with the principles set out in item 1(2) to item 1(9) of Schedule 1 to the Companies Act in so far as such principles are applicable to the Company and no amendment of this MOI shall be competent to the extent that it is contrary to or negates any of such principles.
- 8.4 The Company must publish a notice of any alteration of this MOI by delivering a copy of the amendment to each Director by email.
- 8.5 A copy of all amendments to this MOI must be submitted to the SARS Commissioner and the NPO Director within 30 days of its amendment.

## 9. Rules

- 9.1 The Company will ensure that it generally complies with such requirements set out by the SARS Commissioner and / or NPO Director, as may be necessary to obtain approval that the Company is recognised for tax and other purposes as an association in terms of the provisions of section 30A of the Income Tax Act and as a Non-profit Organisation.
- 9.2 The Board shall not have the authority to make, amend or repeal any necessary or incidental rules relating to the governance of the Company in respect of matters that are not addressed in the Companies Act or this MOI as contemplated in section 15(3), except with the prior approval of an Ordinary Resolution of the Full Members of the Company.
- 9.3 A Rule contemplated in paragraph 9.2:
- 9.3.1 must be consistent with the Companies Act and this MOI, and any such Rule that is inconsistent with the Companies Act or this MOI is void to the extent of the inconsistency; and
- 9.3.2 takes effect on a date that is the later of:
- 9.3.2.1 10 Business Days after the Rule is filed; or

9.3.2.2 the date, if any, specified in the Rule.

9.4 The Company shall comply with the provisions of section 15(5) of the Companies Act in respect of the filing of the Rules and the notification to the Commission of ratification or non-ratification of such Rules.

9.5 The Board must publish any Rules made, amended or repealed by delivering a copy of those rules to each Member and Director by email.

9.6 The Rules as at the filing of this MOI are attached hereto as **Schedule A**.

## 10. **Members and membership**

10.1 As contemplated in item 4(1) and 4(2)(d) of Schedule 1 of the Companies Act, the Company shall have two classes of Members, being Full Members, each of whom has an equal vote in any matter to be decided by the Members of the Company, and Associate Members, who shall have no vote in any matter to be decided by the Members of the Company other than as expressly provided for in this MOI.

10.2 The Members of the Company shall be such persons as from time to time are admitted to membership, as hereinafter provided.

10.3 Membership shall be personal to the Member concerned and may not be assigned or transferred by them to any other person, company or concern.

10.4 No Member may directly or indirectly have any personal or private interest in the Company.

10.5 Members may only be natural persons.

### 10.6 **Full membership**

10.6.1 Full membership is open to natural persons who are:

10.6.1.1 currently a pilot or has been a pilot or wants to be a pilot and who resides within 100nm of the Airfield; or

10.6.2 Currently a pilot or has been a pilot but who resides more than 100nm from the Airfield and such person shall be classed as a Country Member.

10.6.3 All applicants for Full Membership must be actively involved in the sport of recreational flying.

10.6.4 A Full Member shall be entitled to one vote on a show of hands or a poll at any general meeting of the Company.

#### 10.7 **Associate membership**

10.7.1 Associate membership is open to all natural persons and comprise the following categories:

10.7.1.1 Social member- one who is not nor intends to be a pilot;

10.7.1.2 Student member- one who is actively involved in ab-initio training to become a pilot; or

10.7.1.3 Temporary member – one who requires the temporary use of the Airfield for the purposes of conversion or validation of a pilot license.

10.7.2 An Associate Member shall not be entitled to vote.

#### 10.8 **Applications for Membership**

10.8.1 Applications for admission as a Full Member or an Associate Member must be addressed in writing to the Chairperson of the Exco in the prescribed format and proposed and seconded by a paid-up Full Member and delivered to the Secretary of the Exco. Such applications must contain a commitment to abide by the MOI and the Rules and a commitment to meet the financial obligations of membership for the entire duration of membership.

10.8.2 The Secretary shall place the application for membership on the Notice Board at the Company's premises for a period of 3 (three) months prior to the Exco meeting at which the candidate shall be considered for membership.

10.8.3 During the 3 (three) month period, the Full Member who supported the applying member's application will ensure that the Member is introduced to at least 2 members of the Exco.

10.8.4 Any Member (who has paid its membership fees in full) shall be entitled to object to the application for membership and shall provide its reasons for such

objection. Such objection shall be in writing and addressed to the Secretary of the Exco.

- 10.8.5 The Board shall determine and may amend procedures for the admission of Members and shall determine the application, joining and annual fees of Members in accordance with the Rules of the Company from time to time.
- 10.8.6 No application for membership shall be considered unless the application fee has been paid by the applying member, which application fee shall be retained if the person is admitted to membership or refunded if the person's application is rejected.
- 10.8.7 The decision to admit an applicant for membership or to reject the application shall be at the sole and absolute discretion of the Board who shall not be required to give reasons for their decision.
- 10.8.8 If the application for admission is accepted by the Board, the candidate shall become a Full Member or an Associate Member, as the case may be, of the Company upon receipt of the applicable dues and membership fees.
- 10.8.9 The Board shall annually determine the annual membership fee prior to the Annual General Meeting . Any increase in excess of 10% per annum shall be subject to a Special Resolution passed at the Annual General Meeting.

## 11. **Termination of Membership**

- 11.1 A Member's membership of the Company shall terminate if:
- 11.1.1 at a Meeting of the Board of which the Member shall have been given 14 days' notice and at which the Member shall have been given an opportunity of being heard, the Board resolves that:
- 11.1.1.1 in the sole discretion of the Board, he is guilty of conduct inimical to the interests of the Company and/or its Objects; or
- 11.1.1.2 in the sole discretion of the Board, it is inimical to the interests and/or Objects that the Member continues as a Member of the Company;
- 11.1.2 he dies, or is declared insane or incapable of managing his own affairs;
- 11.1.3 if he resigns as a Member;



- 11.1.4 if any Member assigns or transfers, or purports to assign or transfer, his Membership contrary to the provision of this MOI;
- 11.1.5 if any Member does not pay any amount due by him to the Company or otherwise related to his membership within 30 days of due date;
- 11.1.6 in the event of non-compliance by a Member with any such obligations as may attach to his membership as set out in the Rules or this MOI upon the expiration of a period of 7 (seven) days reckoned from the date of written notice by the Company to the Member concerned requiring the remedying of such default, save that the Board shall be entitled to extend the period of grace allowed to a particular Member to such extent and for such reasons as it may in its sole and absolute discretion deem appropriate,

save that the Board shall have the power to reinstate such Member on such terms as to the payment of arrears and otherwise as the Board thinks fit.

- 11.2 A Member whose membership has been terminated shall remain liable for all sums that may at the date of termination of his membership be due from him to the Company and shall not have any claim against the Company or its officers, its property or its funds.
- 11.3 A Member shall cease to be a Member of the Company if his membership is terminated in terms of paragraph 11.1 or on receipt by the Company of written notice of resignation from the Member. No Member shall be entitled to the return of any membership fees, or contributions paid to the Company and any such resigning Member whose resignation takes effect after the first day in any financial year shall

nevertheless be liable for the payment of its annual levies or contributions, as laid down by the Board from time to time, for the year.

## **12. Register of Members**

- 12.1 Certificates of membership may be issued under the authority of the Board in such manner and form as the Board may determine from time to time.
- 12.2 The Company shall maintain at its registered office a register of Members of the Company as provided in section 24(4) of the Companies Act, containing among other things, the email address and telephone number of each Member.

## **13. Members meetings**

### **13.1 Right to call meeting**

- 13.1.1 The Board may call a Members' meeting at any time.
- 13.1.2 If the Company is unable to convene a meeting because it has no Directors or because all of its Directors are incapacitated then the Company authorises any Member to convene a meeting in these circumstances.

### **13.2 Requirement to hold meetings**

- 13.2.1 The Company is, subject to paragraph 13.3, required to hold Members meetings in the following circumstances:
  - 13.2.1.1 when adopting any Ordinary Resolution or Special Resolution;
  - 13.2.1.2 whenever required in terms of section 70(3) to fill a vacancy on the Board;
  - 13.2.1.3 when one or more written and signed demands for such a meeting are delivered to the Company, and each such demand describes the specific purpose for which the meeting is proposed and, in aggregate, demands for substantially the same purpose are made and signed by the holders, as of the earliest time specified in any of those demands, of at least 10% of the voting rights entitled to be exercised in relation to the matter proposed to be considered at the meeting.
- 13.2.2 Notwithstanding paragraph 13.2.1.3, the Company, or any Member, may apply to court for an order setting aside such a demand on the grounds that the demand is frivolous, calls for a meeting for no other purpose than to reconsider

a matter that has already been decided by the Members, or is otherwise vexatious.

13.2.3 At any time before the start of a Members' meeting contemplated in paragraph 13.2.1.3 a Member who submitted a demand for that meeting may withdraw that demand; and the Company must cancel the meeting if, as a result of one or more demands being withdrawn, the voting rights of any remaining Members continuing to demand the meeting, in aggregate, fall below the minimum percentage requirement, as set out in paragraph 13.2.1.3, of voting rights required to call a meeting.

13.2.4 Notwithstanding anything to the contrary in this MOI, the Company shall in each year hold an Annual General Meeting of the Members; provided that not more than 15 months shall be permitted to elapse between the date of one Annual General Meeting and that of the next.

13.2.5 The Annual General Meeting shall deal with and dispose of all matters prescribed by the Companies Act, including the consideration of the annual financial statements, the election of directors and the appointment of an auditor, and may deal with any other business laid before it.

### 13.3 **Members acting other than at a meeting**

13.3.1 Notwithstanding paragraph 13.2.1, an Ordinary Resolution or Special Resolution that could be voted on at a Members' meeting may instead be voted on in writing or suitable electronic manner approved by the Board or, via a round-robin resolution if:

13.3.1.1 the resolution is submitted to Members entitled to exercise voting rights in relation to the resolution; and

13.3.1.2 is thereafter voted on in writing by the Members within 20 Business Days after the resolution was submitted to them.

13.3.2 A resolution contemplated in paragraph 13.3.1 will have been adopted if it is supported by persons entitled to exercise sufficient voting rights for it to have been adopted, as an Ordinary Resolution or Special Resolution, as the case may be, at a properly constituted Members' meeting and if adopted, has the same effect as if it had been approved by voting at a Members' meeting.

13.3.3 Within 10 Business Days after adopting the resolution as set out in paragraph 13.3.1, the Company must deliver a statement via email describing the results of the vote to every Member who was entitled to vote on the resolution.

13.3.4 The written resolution, as set out in paragraph 13.3.1, shall be deemed (unless a statement to the contrary is made in that resolution) to have been passed on the last day on which that resolution is signed by any one or more of the Members who are entitled to exercise voting rights in relation to that resolution which carry sufficient voting rights to pass the resolution. The written resolution may consist of two or more documents in the same form, each of which is signed by one or more such Members, as the case may be.

#### 13.4 **Location of Members' meetings**

The Board may determine the location of Members' meetings.

#### 13.5 **Notice of Members' meetings**

13.5.1 The Company must deliver a notice of each Members' meeting, including an Annual General Meeting, in the prescribed manner and form to all of the Members of the Company with at least 15 Business Days' notice in writing by means of email.

13.5.2 A meeting of Members may be called on less notice as required in paragraph 13.5.1, but such meeting may only proceed if all Members having a right to attend and vote at the meetings are present at the meeting and vote to waive the required minimum notice of the meeting.

13.5.3 A notice of a Members' meeting must be delivered to Members via email and must include the following information:

13.5.3.1 the date, time and place for the meeting;

13.5.3.2 the purpose of the meeting;

13.5.3.3 a copy of any proposed resolution of which the Company has received notice, and which is to be considered at the meeting, and a notice of the

percentage of voting rights that will be required for that resolution to be adopted; and

13.5.3.4 a reasonably prominent statement that:

13.5.3.4.1 a Member entitled to attend and vote at the meeting is entitled to appoint a proxy (“a proxy holder”) to attend, participate in and vote at the meeting in the place of the Member;

13.5.3.4.2 proxy holders will be required to provide satisfactory identification to verify their right to participate at the meeting, as contemplated in paragraph 13.7; and

13.5.3.4.3 no proxy holder may vote more than 3 proxies on behalf of members.

13.5.4 If the Company fails to give the required notice of a Members’ meeting, or if there was a material defect in the giving of the notice, the meeting may proceed if every Member who is entitled to exercise voting rights in respect of each item on the agenda of the meeting:

13.5.4.1 acknowledges actual receipt of the notice;

13.5.4.2 is present at the meeting; and

13.5.4.3 waives notice of the meeting, or in the case of a material defect in the manner and form of giving notice, ratifies the defective notice.

13.5.5 Notwithstanding anything to the contrary set out above, the Company may also hold monthly meetings on the last Wednesday of each month (except December).

## 13.6 **Chairperson**

The Chairperson of the Exco shall be entitled to chair meetings of Members. If, however, there is no Chairperson, or if he has notified his inability to attend a meeting or if at any meeting he is not present within 20 minutes of the time appointed for the meeting, the Members who are entitled to exercise voting rights at the meeting present and represented shall choose another Director to chair the meeting. If no Director is present or if none of the Directors present are willing to chair the meeting, then the Members shall choose one of their own to be the Chairperson.

### 13.7 **Verification of right to attend meeting**

- 13.7.1 A person wishing to attend or participate in a Members meeting (whether as a proxy or Member), must present reasonably satisfactory identification to the chairperson of the meeting at least 20 minutes before the time scheduled for the start of the meeting. The Chairperson must be reasonably satisfied that the right of the person to attend and vote has been reasonably verified.
- 13.7.2 For the purposes of this paragraph 13.7, the following forms of identification shall be reasonably satisfactory: a valid identity document, driver's license or passport (or a certified copy of any of these documents), accompanied by a power of attorney, letter of authority or other instrument appointing the proxy or person to attend the meeting on behalf of a Member.
- 13.7.3 In the event that the identification process is not completed by the time that the meeting is scheduled to begin, then the commencement of the meeting shall be delayed until the identification process is complete.

### 13.8 **Proxies**

- 13.8.1 No Member may hold more than 4 (four) proxies from other Members.
- 13.8.2 The instrument appointing a proxy shall be in writing in a form to be decided by the Board, under the hand of the appointer or of his agent duly authorised in writing. The holder of a General or Special Power of Attorney incorporating the necessary powers contemplated hereunder, shall be entitled to attend and vote at any meetings on behalf of the Member granting such power.
- 13.8.3 The Company shall be obliged to give effect to the appointment of a proxy, provided the instrument appointing such proxy, including the Power of Attorney or other authority, if any, under which it is signed or a duly certified copy thereof, shall have been delivered to the Company or to any other person acting on behalf of the Company before the time for holding such meeting or any adjournment thereof.
- 13.8.4 The instrument appointing a proxy shall be in the following form or as near thereto as circumstances permit:

**MORNINGSTAR FLYERS ASSOCIATION NPC**

**Registration number 2014/267363/08**

(A non-profit company incorporated in terms of the Companies Act 71 of 2008)

I, \_\_\_\_\_ of \_\_\_\_\_ being  
a Full Member of the MORNINGSTAR FLYERS ASSOCIATION NPC, hereby  
appoint

\_\_\_\_\_

as my proxy to vote for me and on my behalf at the Meeting of the Company  
to be held on the \_\_\_\_ day of \_\_\_\_\_ and at any  
adjournment thereof as follows:

	In favour of	Against	Abstain
Resolution to .....			
Resolution to .....			
Resolution to .....			

(Indicate instruction to proxy by way of a cross in the space provided above.)

Unless otherwise instructed, my proxy may vote as he thinks fit.

Signed at \_\_\_\_\_ on this \_\_\_\_ day of  
\_\_\_\_\_.

\_\_\_\_\_  
Signature

### 13.9 **Electronic participation in Members' meetings**

13.9.1 A Members' meeting may be conducted entirely by electronic communication or one or more participants in the Members' meeting may participate using electronic communication, provided that the electronic communication employed ordinarily enables participants in the meeting to communicate concurrently with each other without an intermediary and to participate effectively. A resolution signed by the requisite majority or percentage of Members who were connected electronically where:

13.9.1.1 all such Members remained connected for the duration of the electronic meeting;

13.9.1.2 the subject matter of the resolution has been discussed; and

13.9.1.3 the chairperson of the meeting or any other Member certifies in writing that the aforementioned requirements have been met,

shall be deemed to have been passed on the date on which the resolution was signed by the Member last to sign it (unless a statement to the contrary is made in that resolution) and such resolution may consist of several documents, each of which may be signed by one or more Members who participated in the electronic meeting.

### 13.10 **Quorum**

13.10.1 No business shall be transacted at any meeting unless a quorum of at least 15 % (fifteen percent) of Members eligible to vote are present in person at the time when the meeting proceeds to business.

13.10.2 The participation by a Member at a meeting of the Members in accordance with paragraph 13.8 and 13.9 shall be taken into account for the purposes of constituting a quorum as well as with respect to voting at such meeting.

13.10.3 After a quorum has been established for a meeting (or in respect of a specific matter on the agenda), the meeting may continue (or the matter may be considered) provided the meeting is quorate for the full duration of the meeting.



### 13.11 **Postponement and adjournment of meetings of Members**

- 13.11.1 If within 30 minutes of the appointed time for a meeting to begin, a quorum is not present, the meeting will automatically (without any further action or formalities being required, unless the location of the meeting is different), be postponed to a date determined by the chairperson on written notice to the Members but which shall be no earlier than one week and no later than 21 days from the date of the non-quorate meeting (or if that is not a Business Day, to the next succeeding Business Day) at the same time and place, or to such other time and place as the chairperson of the meeting may appoint and notify the Members of in writing.
- 13.11.2 If a quorum is not present when a matter is called on the agenda, consideration of that matter may be postponed to a later time in the meeting (without further action or formalities being required) if there is other business on the agenda. However, if there is no further business on the agenda, the meeting is automatically (without any further action or formalities being required, unless the location of the meeting is different) adjourned to a date determined by the chairperson on written notice to the Members but which shall be no earlier than one week and no later than 21 days from the date of the meeting (or if that is not a Business Day, to the next succeeding Business Day) to be continued at the same time and place, or to such other time and place as the chairperson of the meeting may appoint and notify the Members of in writing.
- 13.11.3 The 30 minutes limit specified in paragraph 13.11.1 may be extended by the Chairperson presiding at the Members' meeting as contemplated in section 64(5) for a reasonable period on grounds that:
- 13.11.3.1 exceptional circumstances affecting weather, transportation or electronic communication have generally impeded or are generally impeding the ability of Members to be present at the meeting; or
- 13.11.3.2 one or more particular Members, having been delayed, have communicated an intention to attend the meeting, and those Members, together with others in attendance, would satisfy the requirements of paragraph 13.10.
- 13.11.4 A Members' meeting (or consideration of a particular matter on the agenda) may be adjourned without further notice to a fixed time and place (but will

require a notice if it is adjourned "until further notice") by a vote in favour thereof by holders of a majority of those voting rights present or represented at the meeting and entitled to be exercised on at least one matter remaining on the agenda of the meeting or, where the adjournment is in respect of a particular matter, by a vote in favour thereof by holders of a majority of those voting rights present or represented by proxy and entitled to be exercised in respect of the matter in question.

13.11.5 No business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting which was adjourned.

13.11.6 Pursuant to section 64(8), if within 30 minutes of the appointed time for a postponed meeting to begin or an adjourned meeting to resume, the quorum requirements are not met, those Members who are entitled to exercise voting rights at the meeting, present or represented at the meeting will be deemed to constitute a quorum.

## 13.12 **Voting**

13.12.1 Save as is otherwise expressly provided by the Companies Act or by this MOI, specifically matters required to be passed by Special Resolution, all resolutions to be considered at any Members' meeting shall be decided by an Ordinary Resolution.

13.12.2 No person, employee of, family member of or owner of a business that operates from or has a commercial interest at the Airfield may vote on a matter that directly or indirectly affects their operations.

13.12.3 At a meeting of Members, voting shall be decided on a poll. Subject to the provisions of the Companies Act, a declaration by the Chairperson that a resolution has been carried, or carried by a particular majority, or lost, or not carried by a particular majority, shall be final and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact.

13.12.4 In the case of an equality of votes, the chairperson shall have a casting vote in addition to any vote or votes to which he may have been entitled as a Member or representative of a Member, either on a show of hands or on a poll.

## 14. Directors

### 14.1 Powers of Directors

The business of the Company shall be managed and supervised by the Board in accordance with the stated objects of the Company and as envisioned in terms of section 66(1). The Board may exercise all powers of the Company that are not excluded by a statute or this MOI.

### 14.2 Appointment

- 14.2.1 The Company shall have a minimum of three and a maximum of 7 Directors. No Director may be a 'connected person' (as defined in the Income Tax Act) in relation to any other Director. No single Director shall directly or indirectly control the decision-making powers relating to the Company. A minimum of four directors shall be hangar owners.
- 14.2.2 The Board shall consist of 3 ("three") executive directors who shall also be the Chairman, Treasurer and Secretary of the Exco as elected by Ordinary Resolution of the Members at the Annual General Meeting.
- 14.2.3 Executive Directors who have served a term of two years must resign. Any such Director is eligible for re-election.
- 14.2.4 Executive Directors who have served a term of two years must resign. Any such Director is eligible for re-election.
- 14.2.5 In addition, there shall be at least 3 ("three") non-executive Directors who shall be elected by Ordinary Resolution of Members. Non-executive directors shall meet the following criteria:

- 14.2.5.1 they have been Full Members for more than 10 years;
- 14.2.5.2 they shall not be serving Members of the Exco and may not be elected to the Exco during their term of office;
- 14.2.5.3 they are active in the affairs of the Company and are frequent visitors to the Airfield;
- 14.2.5.4 they have no disciplinary record; and
- 14.2.5.5 they have no commercial interest in any operation conducted on the Airfield.
- 14.2.6 Non- executive Directors who have served on the Board for more than 3 (three) years must resign. Any such Director is eligible for re-election.
- 14.2.7 Where a vacancy on the board arises, each Full Member of the Company shall be entitled but not obliged to nominate one Director to fill such vacancy. Once the nominations have been made by the Full Members, the Full Members shall be entitled but not obliged to vote on the nominations by way of a poll.
- 14.2.8 Every Director must satisfy the qualification and eligibility requirements set out in section 69 to become or remain a Director and be a Full Member of the Company.
- 14.2.9 The Chairperson shall be elected by the Board annually from amongst the Directors at the first meeting of the Directors following the Annual General Meeting of the Company in the relevant year, subject always to a maximum continuous term in office of three years.
- 14.2.10 The Chairperson shall preside at meetings of the Board. If the Chairperson is not present or willing to act within five minutes of the time appointed for the commencement of such meeting, the Directors then present shall choose any other of their number to be chairperson of such meeting.

#### 14.3 **Vacation of office**

The office of Director shall *ipso facto* be vacated if such Director:

- 14.3.1 dies;
- 14.3.2 resigns;

- 14.3.3 becomes incapacitated to the extent that the person is unable to perform the functions of a Director, and is unlikely to regain that capacity within a reasonable time;
- 14.3.4 is declared delinquent by a court, or placed on probation under conditions that are inconsistent with continuing to be a Director of the Company;
- 14.3.5 holds any other office of profit under the Company, without the consent of the Company;
- 14.3.6 is absent from meetings of Directors for more than six months without permission of the Board;
- 14.3.7 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 contemplated in paragraph 14.7;
- 14.3.8 becomes ineligible or disqualified in terms of section 69; or
- 14.3.9 is removed in terms of paragraph 14.4.

#### 14.4 **Removal from office**

- 14.4.1 The Company may in accordance with section 71 remove any Director before expiration of this period of office, and may by Ordinary Resolution appoint another Member in his stead in accordance with the provisions of this MOI.
- 14.4.2 A Director may further be removed from office by order of the court as contemplated in section 71(5) or (6).

#### 14.5 **Vacancies**

- 14.5.1 The Directors may act notwithstanding any vacancy on the Board, provided that for so long as their number is reduced below the number fixed in paragraph 14.2.1 as the minimum number of Directors, then the remaining Directors may act for the purpose of increasing the number of Directors to that number, but for no other purpose.

#### 14.6 **Meetings**

- 14.6.1 The Directors must meet together at least every six months.

- 14.6.2 The conduct of meetings shall generally be governed in terms of section 73. Notwithstanding the aforementioned, the Board may regulate their meeting as they think fit.
- 14.6.3 Any three Directors may at any time convene a meeting of the Directors by requesting such a meeting from the Chairperson, who shall summon the meeting by no later than one month from receipt of the request. A Director while absent from the Republic of South Africa shall, during such absence, be entitled to notice of any meeting.
- 14.6.4 Notice of a Board meeting must be given to each Director in writing by email, not less than 14 days prior to the meeting.
- 14.6.5 Where the Chairperson has failed to give the required notice of the Board meeting, or there was a defect in the giving of the notice, such meeting may proceed, provided that all of the Directors:
- 14.6.5.1 acknowledge actual receipt of the notice; or
  - 14.6.5.2 are present at the meeting; or
  - 14.6.5.3 waive notice of the meeting.
- 14.6.6 A Board meeting may be conducted by electronic communication, or one or more Directors may participate in a meeting by electronic communication, so long as the electronic communication facility employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.
- 14.6.7 The quorum necessary for the transaction of the business of the Directors shall at all times be a majority of Directors.
- 14.6.8 Each Director shall be entitled to one vote in regard to all business brought before the Board.
- 14.6.9 The chairperson of the Board meeting shall have a casting vote in the event of a tie.
- 14.6.10 Unless otherwise provided in this MOI, a majority of the votes cast on a resolution is sufficient to approve that resolution.

- 14.6.11 A decision that could be voted on at a Board meeting may instead be adopted by written consent of the required number of Directors, given in person, or by electronic communication, provided that each Director has received notice of the matter to be decided. A decision made in this manner is of the same effect as if it had been approved by voting at a meeting.
- 14.6.12 Resolutions adopted by the Board:
- 14.6.12.1 must be dated and sequentially numbered; and
- 14.6.12.2 are effective as of the date of the resolution, unless the resolution states otherwise.
- 14.6.13 The Company shall keep minutes of all Board meetings, and any of its committees, and include in the minutes:
- 14.6.13.1 any declaration of personal financial interest given by notice or made by a Director as required by section 75; and
- 14.6.13.2 every resolution adopted by the Board.
- 14.6.14 Any minutes of a Board meeting, or a resolution, signed by the chairperson of the meeting, or by the chairperson of the next Board meeting, is evidence of the proceedings of that meeting, or adoption of that resolution, as the case may be.

#### 14.7 **Personal Financial Interests**

If a Director has a personal financial interest, (or knows that a related person has such an interest) he must disclose in advance, in writing, to the Board the nature and extent of that interest. This disclosure must comply with the requirements of the Companies Act. If the personal financial interest (including that of a related person), arises after the matter has been approved by the Board then the Director or prescribed officer concerned must promptly, after the interest arises, disclose same to the Board in accordance with section 75.

#### 14.8 **Indemnification**

- 14.8.1 Subject to a resolution of the Directors, the Board may:

- 14.8.1.1 advance expenses to a Director to defend litigation in any proceedings arising out of that Director's service to the Company; and
- 14.8.1.2 may directly or indirectly indemnify a Director for expenses contemplated in paragraph 14.8.1.1, irrespective of whether it has advanced those expenses, if the proceedings are abandoned or exculpate the Director, or arise in respect of any liability for which the Company may indemnify the Director as provided in terms of sections 78(5) and (6).
- 14.8.2 Subject to the limitations imposed by section 78(6), the Company may indemnify a Director, Exco member or officer of the Company.
- 14.8.3 The Company may purchase insurance to protect:
  - 14.8.3.1 a Director against any liability or expenses for which the Company is permitted to indemnify a Director in accordance with paragraph 14.8.2;
    - 14.8.3.1.1 the Company against any contingency including, but not limited to:
    - 14.8.3.1.2 any expenses that the Company is permitted to advance in accordance with paragraph 14.8.1.1; or
    - 14.8.3.1.3 any liability for which the Company is permitted to indemnify a Director in accordance with paragraph 14.8.2.
- 14.8.4 The Company is entitled to claim restitution from a Director for any money paid directly or indirectly by the Company to or on behalf of that Director in any manner inconsistent with this paragraph 14.8.

#### 14.9 **Remuneration**

- 14.9.1 The Directors of the Company shall not be entitled to any remuneration or reimbursement of expenses in consideration for or in respect of their services as directors (except as contemplated in this MOI).
- 14.9.2 Where a Director renders additional services to the Company, other than his/her services as a Director, such Director may be remunerated by the Company for such services, provided that such remuneration is fair and reasonable, and has been approved by Board resolution following the procedure set out in section 75(5) and supported by no less than 65 % of the disinterested Directors of the Company.



#### 14.10 **Reimbursements**

A Director of the Company may be reimbursed by the Company for reasonable and necessary expenses incurred in the *bona fide* performance of his/her duties to the Company, provided that any reimbursement of any expense not of a category of expenses expressly budgeted for in the annual budget of the Company approved by the Board or of an amount exceeding any limit with respect to any category of expenses specified in the annual budget of the Company approved by the Board shall be subject to the prior approval of a disinterested majority of the Directors of the Company by resolution.

#### 15. **Officers and Committees**

- 15.1 The Board may appoint any officers it considers necessary to better achieve the Objects.
- 15.2 The Board may appoint any number of committees, and to delegate to any such committees any of the authority of the Board.
- 15.3 The Directors shall appoint an Exco comprising seven members elected at the Annual General Meeting to manage the day to day activities of the Company. Such Exco shall comprise the Committee Chairman, Treasurer, Secretary, Airfield Manager, Safety Officer, Communication and Events Co-ordinator and a

Technical/Aircraft representative. The Exco, or certain members thereof, as the case may be, shall be appointed within 14 days of each Annual General Meeting.

- 15.4 Members of the Exco shall be elected for a two year term of office. Retiring Members are automatically eligible for re-election.
- 15.5 Nominations for the posts of the Exco must be submitted in writing, duly proposed and seconded by a Member to reach the Secretary at least 14 (fourteen) days prior to the notified date of the Annual General Meeting.
- 15.6 If insufficient nominations are received, nominations may be then called for during the Annual General Meeting.
- 15.7 A paper ballot will determine the voting.
- 15.8 Any committee appointed by the Board:
  - 15.8.1 may include in any such committees persons who are not directors, provided that any such person must not be ineligible or disqualified to be a director in terms of section 69;
  - 15.8.2 may consult with or receive advice from any person; and
  - 15.8.2.1 has the full authority of the Board in respect of any matter referred to it.

## **16. Powers and Duties of Exco**

- 16.1 The Exco, may, for any purpose, appoint any subcommittee of which at least one member must be a member of the Exco. The Exco may ratify any decision taken by the subcommittee.
- 16.2 The Exco will have full control over the day to day affairs and operations of the Company.
- 16.3 The Exco will, in particular, ensure that the lease conditions of the land lease which forms the basis of the Company's property, is at all times upheld so as not to create friction with the land-owner.
- 16.4 The Exco may not make any decision that is not regarded as in the "interest of the Company" and / or in contradiction to the Company MOI.
- 16.5 A Quorum for an Exco meeting will be four (4) members present.
- 16.6 Any Committee member that seeks to supply goods or services to the Company shall be excluded from any decision making process the Exco follows to approve any contract to acquire those goods or services.
- 16.7 Any member of the Exco who is absent from two consecutive meetings without leave or who in the absolute opinion of the Exco is not fulfilling his/her duties satisfactorily may be removed from office by a majority vote of all the remaining Exco Members. It shall be in the absolute discretion of the Exco acting by means of majority vote as to whether leave of absence shall be granted or not. The decision made by the Exco will be final and binding.

## **17. Registered office**

The registered office of the Company from time to time shall be at such location within the Republic of South Africa as the Board may from time to time determine.

## **18. Company records and accounting records**

All company records contemplated by section 24, and all accounting records contemplated by section 28 and Regulation 25, shall be kept and maintained at, and shall be accessible at or from, the registered office of the Company, or in the case of all or any of the company records at or from such other location or locations within the Republic of South Africa as the Board may from time to time determine.

## 19. Access to Company Records

- 19.1 Each Member is entitled to inspect and copy, upon payment of the prescribed maximum charge for any such copy, the information contained in the records of the Company referred to in section 26(1) of the Act, being –
- 19.1.1 this MOI, and any amendments or alterations thereof, and any Rules of the Company;
- 19.1.2 a record of the Directors, including the details of any person who has served as a Director, for a period of 7 (seven) years after that person has ceased to serve as a Director, and any information relating to such persons referred to in section 24(5) of the Act;
- 19.1.3 all –
- 19.1.3.1 reports presented at an annual general meeting of the Company for a period of 7 (seven) years after the date of any such meeting, provided that no such inspection right shall exist if and to the extent that the

Company is not required to, and does not, in fact, hold an annual general meeting; and

- 19.1.3.2 annual financial statements required by the Act for a period of 7 (seven) years after the date on which each such particular statements were issued;
- 19.1.4 notice and minutes of all meeting of Members, including –
  - 19.1.4.1 all resolutions adopted by them, for 7 (seven) years after the date each such resolution was adopted; and
  - 19.1.4.2 any document that was made available by the Company to Members in relation to each such resolution;
- 19.1.5 any written communications sent generally by the Company to all Members (or all members of any class of Members, if any), for a period of 7 (seven) years after the date on which each of such communications was issued; and
- 19.1.6 the Members' register of the Company.

## 20. **Financial year**

The financial year of the Company shall end on 31 December of each year.

## 21. **Annual Financial Statements**

- 21.1 Each year, the Company must prepare annual financial statements within six months after the end of its financial year.
- 21.2 The Company may elect in terms of section 30(2)(b)(ii)(aa), that the annual financial statements of the Company be audited voluntarily.
- 21.3 If audited, the annual financial statements must:
  - 21.3.1 include an auditor's report;
  - 21.3.2 include a report by the Directors with respect to the state of affairs, the business and surplus or shortfall of the Company, including:
    - 21.3.2.1 any material matter relating to the Company's state of affairs; and
    - 21.3.2.2 any prescribed information;

- 21.3.3 be approved by the Board and signed by an authorised Director; and
- 21.3.4 be submitted to the Members in General Meeting, after such annual financial statements have been approved by the Board and signed by the authorised Director, within nine months of the end of the financial year.

## **22. Annual returns**

- 22.1 Each year, the Company must file an annual return in the prescribed form with the prescribed fee, and within the prescribed period (currently being 30 days) after the end of the anniversary of the date of its incorporation, which return must:
  - 22.1.1 include a copy of the Company's annual financial statements;
  - 22.1.2 designate a Director, employee or other person who is responsible for the Company's compliance with the transparency, accountability and integrity requirements in terms of Part C of Chapter 2 of the Companies Act, and the requirements of Chapter 3 of the Companies Act, if these requirements apply to the Company; and
  - 22.1.3 any other prescribed information.

## **23. Enhanced Accountability and Transparency**

- 23.1 The Company does not elect, in terms of section 34(2), to comply voluntarily with the provisions of Chapter 3 of the Companies Act.
- 23.2 The Company may, but is not obliged to, appoint a person to serve as company secretary and/or appoint a person to serve as an auditor, and/or establish an audit committee, on such terms and subject to such conditions as the Board in its discretion may from time to time determine.
- 23.3 If the Company elects to have its annual financial statements audited in terms of sections 30(2) and (7), read with Regulation 28 and Regulation 26(2), and therefore the Company shall comply to the extent necessary with the provisions of Chapter 3 of the Companies Act with which it is required to comply.

## **24. Reserves**

The Directors shall set aside and carry to a reserve fund all the surplus funds of the Company, which may at their discretion be applied for any purpose for which such funds of

the Company may properly be applied in such manner as the Directors deem fit, provided that it is always to advance the Objects.

## 25. **Winding Up or Dissolution of the Company**

25.1 The Company may be wound up voluntarily by the Board in passing a resolution supported by a majority of the directors. Any such voluntary winding up shall be effected in accordance with section 80.

25.2 Upon the 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 and section 30B(8) of the Income Tax Act. For the avoidance of doubt no past or present Member or Director of the Company, or person appointing a Director of the Company, is entitled to any part of the net value of the Company after its obligations and liabilities have been satisfied.

25.3 Upon dissolution of the Company, the SARS Commissioner shall be notified.

## 26. **Notices**

26.1 All notices intended or required to be given by the Company to any Member of the Company shall be given in writing in any manner authorised by the Regulations.

26.2 Each Member of the Company –

26.2.1 shall notify in writing to the Company an address, which address shall be his registered address for the purposes of receiving written notices from the Company by hand or by courier; and

26.2.2 may notify in writing to the Company an email address, which address shall be his address for the purposes of receiving notices by way of Electronic Communication.

26.3 Any Member whose address is an address not within South Africa, and who shall from time to time furnish the Company with an address within South Africa at which

notices can be served upon him, shall be entitled to have notices served upon him at such address.

## **27. Resolution of Disputes**

- 27.1 In the event of there being any dispute or difference between any persons bound by this MOI, including any dispute or difference arising out of or in respect of –
- 27.1.1 any of the provisions of this MOI; and/or
  - 27.1.2 any relationship between any 2 (two) or more persons in their capacities as Members; and/or
  - 27.1.3 any relationship between any person, in its capacity as a Member, on the one hand, and the Company on the other hand; and/or
  - 27.1.4 any relationship between any person, in his or her capacity as a Director, on the one hand, and the Company on the other hand; and/or
  - 27.1.5 any relationship between any person, in his or her capacity as a prescribed officer of the Company, on the one hand, and the Company on the other hand; and/or
  - 27.1.6 any relationship between any person, in his or her capacity as a member of a committee of the Board, on the one hand, and the Company on the other hand; and/or
  - 27.1.7 any right and/or obligation of any Member, in its capacity as a Member, against or to the Company and/or any other Member; and/or
  - 27.1.8 any right and/or obligation of the Company against or to any Member (in its capacity as a Member), and/or any Director (in his or her capacity as a Director), and/or any prescribed officer of the Company (in his or her capacity as a prescribed officer of the Company), and/or any other person serving the



Company as a member of a committee of the Board with reference to such service; and/or

27.1.9 any right and/or obligation of any Director (in his or her capacity as Director) against or to the Company; and/or

27.1.10 any right and/or obligation of any prescribed officer of the Company (in his or her capacity as a prescribed officer of the Company) against or to the Company; and/or

27.1.11 any right or obligation of any other person serving the Company as a member of the committee of the Board with reference to such service,

such dispute or difference shall, except to the extent that provision is made elsewhere in this Memorandum of Incorporation for the final resolution of the dispute or difference in question, on written demand by any such person be submitted to arbitration at Cape Town before a single arbitrator in accordance with the rules of the Arbitration Foundation of South Africa ("AFSA"), which arbitration shall be administered by AFSA.

27.2 Should AFSA, as an institution, not be operating at that time or not be accepting requests for arbitration for any reason, then the arbitration shall be conducted in accordance with the AFSA rules for commercial arbitration (as last applied by AFSA) before a single arbitrator appointed by agreement between the parties to the dispute or difference or failing agreement within 10 (ten) business days of the demand for arbitration, then any party to the dispute or difference shall be entitled to forthwith call upon the chairperson of the Bar Council of the city or town in which the registered office of the Company is situated (or which is closest thereto) to nominate the arbitrator, provided that the person so nominated shall be an advocate or attorney of not less than 15 (fifteen) years standing as such. The person so nominated shall be the duly appointed arbitrator in respect of the dispute or difference. In the event of the attorneys of the parties to the dispute or difference failing to agree on any matter relating to the administration of the arbitration, such matter shall be referred to and

decided by the arbitrator whose decision shall be final and binding on the parties to the dispute.

- 27.3 Nothing herein contained shall be deemed to prevent or prohibit a party to the arbitration from applying to the appropriate court for urgent relief or for judgment in relation to a liquidated claim.
- 27.4 Any arbitration in terms of this clause 27 shall be conducted *in camera* and the parties to the arbitration shall treat as confidential details of the dispute or difference submitted to arbitration, the conduct of the arbitration proceedings and the outcome of the arbitration.
- 27.5 This clause 27 will continue to be binding notwithstanding any liquidation of the Company, the commencement of any business rescue proceedings in respect of the Company or the sale by any person of any securities held by that person in the Company, to the extent that the implementation of the provisions of this clause will not give rise to any contravention of any provision of the Act or of any other applicable legislation.
- 27.6 The written demand by a party to the dispute in terms of clause 27.1 that the dispute or difference be submitted to arbitration, shall be deemed to be a legal process for the purpose of interrupting extinctive prescription in terms of the Prescription Act, 1969.

## Schedule A

### Rules of the Morningstar Flyers Association NPC (“the Company”)

Registration number 2014/267363/08

As amended 10 June 2019

#### PREAMBLE

1. The Rules of the Company listed hereinafter are intended to supplement the provisions of the MOI and as such are intended to ensure that the Company, along with any Members’ rights shall not be jeopardized by the actions or omissions of any member or guest.
2. All Members are bound by these Rules, which replace any previous Rules and are to be applicable at any premises owned or leased by the Company.
3. All Members shall be bound by these Rules as if they were in place when they joined the Company.
4. “MOI” shall refer to the Memorandum of Incorporation of the Company.

#### CODE OF ETHICS

1. The Company is a non-discriminatory and harassment free organization that abides by the following code of conduct:
  - a. The purpose of this code is to protect the health, safety and wellbeing of all of the Members and those who participate in the activities of flying aircraft.
  - b. The Company seeks to provide a safe environment for all its Members and those who participate in the activities of flying aircraft.
  - c. This code confirms that the Company, its Exco and its Members will not tolerate harassment, victimization or abuse of those involved in it, or its members’ activities.
  - d. This code records The Company’s commitment to strong ethical principles, requiring that all people participating in its activities must comply with principles of responsible and professional behaviour.
  - e. The Company advocates that everyone who participates in its and its Members’ activities have the right to be treated with respect and dignity and that they have the right to have any complaints dealt with in a fair, confidential and sensitive manner.

## TABLE OF CONTENTS

	PAGE
1 RULES OF PROCEDURE AT MONTHLY, SPECIAL GENERAL AND ANNUAL GENERAL MEETINGS	3
2 GENERAL RULES FOR MEMBERS, GUESTS AND VISITORS	3
3 SAFETY	3
4 HANGAR MEMBERSHIPS AND RIGHT OF USE HANGAR SITES	4
5 PROCEDURES FOR THE APPROVAL & ERECTION OF HANGAR STRUCTURES	4
6 HANGAR CONSTRUCTION	4
7 RESTRICTIONS FOR THE USE OF HANGARS AND SITES	4
8 FLYING RULES	6
9 JOINING & DEPARTURE PROCEDURE AT MORNINGSTAR AIRFIELD	9
10 COMMERCIAL OPERATIONS AT MORNINGSTAR AIRFIELD	9
<b>APPENDICES</b>	10
<b>APPENDIX A: HANGAR MEMBERSHIP AND RIGHT OF USE</b>	11
<b>APPENDIX B: HANGAR CONSTRUCTION</b>	14
<b>APPENDIX C: COMMERCIAL RIGHT OF USE RULES AND OPERATIONAL REGULATIONS</b>	18

## **1. RULES OF PROCEDURE AT MEETINGS**

- 1.1. The Chairman or an Exco Member nominated by the Chairman shall call the meeting to order and shall chair the meeting. The format of meetings shall include a general section on issues raised by Members. The remainder of the format is to be determined by the Chairman.
- 1.2. The bar is to remain closed for the duration of the meeting.
- 1.3. Minutes of all meetings, along with the names of Members and visitors present is to be recorded by the Secretary and is to be posted on the website of the Company within seven days. Records of all meetings are to be held in perpetuity for record purposes by the current Secretary.
- 1.4. The time and date of monthly Company meetings is to be 8:00PM on the last Wednesday of every month or such time as the Chairman shall deem suitable for that meeting.

## **2. GENERAL RULES FOR MEMBERS, GUESTS AND VISITORS**

- 2.1. The Clubhouse referred to shall mean the Company's buildings at the Airfield.
- 2.2. The Clubhouse and leased ground at the Airfield shall be for the sole use of Members of the Company.
- 2.3. The Company reserves the right of admission to the Clubhouse and the Airfield.
- 2.4. Members, guests and visitors are to conduct themselves in a decorous and seemly manner at any premises leased by the Company.
- 2.5. Members are permitted to bring guests. The actions and omissions of these guests shall be the sole responsibility of the host Member, who shall ensure that guests at all times act in accordance with these rules.
- 2.6. **Disciplinary proceedings:**
  - 2.6.1. When required, a disciplinary sub-committee shall be convened which shall consist of two Exco members and at least two Full Members who are in good standing and have no disciplinary record.
  - 2.6.2. They will have the power to inquire into and decide on charges against a member where a member has committed a wilful breach of the Company MOI, Rules or any Clause of any Agreement which the Company has entered with any local or Government Authority, or third party on the Company's behalf, or is guilty of improper, dishonest, unsportsmanlike, unacceptable conduct, or is guilty of any conduct prejudicial to the interests of the Company whether within or outside the Company precincts.
  - 2.6.3. They will ensure that the Member is given the opportunity to explain his or her conduct and to present evidence.
  - 2.6.4. The disciplinary sub-committee shall have power to impose such penalty as they

- deem fit including the right to suspend, to request a Member to resign or to expel Members;
- 2.6.5. They have power to summarily suspend a Member pending an enquiry providing that the enquiry shall take place within ten days of such suspension;
  - 2.6.6. An appeal may be made to the Exco against any decision or order made by the disciplinary sub-committee, provided that:
    - 2.6.6.1. a notice of appeal is lodged with the Secretary within seven days of the date of the decision or order appealed against
    - 2.6.6.2. the Exco, excluding the Exco members who convened the disciplinary sub-committee shall hear the appeal.
    - 2.6.6.3. the Exco shall have the power to confirm, alter or set aside, in any manner whatever, any such decision or order.
  - 2.6.7. The Exco shall have the power to refer the appeal to the Board of the Company if it sees fit;
  - 2.6.8. Members shall not be entitled to legal representation at any disciplinary hearing or at the appeal from its findings unless the Chairman of the tribunal concerned so rules; and
  - 2.6.9. Disciplinary records shall be expunged one year after the completion of the sanction.

### **3. SAFETY**

- 3.1. No guests or visitors are permitted to gain access to any taxiway unless accompanied by a Member or having obtained the express permission from an Exco Member. Under no circumstances may any guest or visitor leave any domestic pet or child un-attended whilst at any Company facility.
- 3.2. Only observers and or photographers, pre- approved by an Exco Member of the Company, shall be permitted to encroach within 35m of the runway - i.e. beyond any point that is halfway between the parallel taxi way and the runway. Pre-approval shall be required for each and every occasion and such observer or photographer shall, where possible, inform the pilot of any aircraft operating over the airfield via personal communication beforehand or via radio communication once airborne, that they intend to encroach within 35m of the runway. Notwithstanding the above, such persons shall at all times ensure that they are visible and shall wear high visibility vests.
- 3.3. No alcohol may be consumed by any guest or visitor outside the Clubhouse and it's fenced off lawn and recreational area.
- 3.4. Young persons under 18 are not permitted to purchase or be served alcohol.
- 3.5. The domestic pets of any Member, guest or visitor shall at all times be restrained on a leash and are not permitted on any taxiway or runway or within 30m of any aircraft under power.
- 3.6. Members and guests are required to return any Company facility used by them to a suitable and fit state after use.
- 3.7. No Member or guest may use any of the Company's facilities for political or commercial purposes without the written permission of the Chairman or an Exco Member delegated by the Chairman.
- 3.8. When driving vehicles on the entrance road, car park area and taxiways, Members

and their guests are to exercise caution and obey the Company's imposed speed limits at all times.

- 3.9. Vehicular traffic must give way to aircraft on the taxiways and no vehicle shall be parked at hangar sites so as to interfere with the ability of aircraft to use a taxiway.
- 3.10. Members must ensure that vehicles parked at their hangars do not interfere with the ability of aircraft to use the taxiways.
- 3.11. No child under the age of 12 years old may enter or walk along a taxiway unless accompanied by an adult member or a visitor granted permission to enter a taxiway under Rule 3.1 above.

#### **4. HANGAR MEMBERSHIPS AND RIGHT OF USE OF HANGAR SITES**

Refer to Appendix A to the Rules.

#### **5. PROCEDURES FOR THE APPROVAL & ERECTION OF HANGAR STRUCTURES**

Refer to Appendix B to the Rules.

#### **6. HANGAR CONSTRUCTION**

Refer to Appendix B to the Rules.

#### **7. RESTRICTIONS FOR THE USE OF HANGARS AND SITES**

- 7.1. Hangars and their sites are to be used primarily for the purpose of the storage, maintenance, construction and/or operation of aircraft and the material and equipment required for this purpose. Primarily in this instance shall mean that 75% or more of the available floor area is occupied for this purpose.
- 7.2. All Hangar Members shall be responsible for the safety and integrity of any structure and its contents on their site. The Company waives any responsibility in this regard and shall not be liable for any loss or damage sustained through any act of God, or action or omission of any member, guest or visitor.
- 7.3. In addition, Hangar Members shall ensure that the areas between hangars, as well as the forecourt/ramp area from hangar door to taxiways is at all times kept clean and tidy and shall be kept free of any flammable material or obstructions. The area around hangar sites and between hangars may not be used for the erection or placement of any structures or the storage of any additional items or materials.
- 7.4. Fuel may only be stored in fully serviceable and sealed metal storage containers. Storage of fuel in plastic containers is not permitted. In the event of more than 40l of fuel being stored in any one hangar, the Hangar Member shall apply for and obtain a FLAMMABLE SUBSTANCE CERTIFICATE from the relevant Fire and Rescue Services i.e. the Fire Chief responsible for the area.
- 7.5. Suitable approved and serviced fire extinguishers are to be provided by Hangar Members in every hangar structure, positioned in a clearly accessible and visible place at the entrance to the hanger and elsewhere, and indicated by approved fire signage. A minimum of one 9kg DCP fire extinguisher per 100sqm of hangar shall be provided.

- 7.6. Hangar Members have the right to rent out portions of their approved hangar structure for the intended purposes as per Rule 7.1 only to fully paid-up members in good standing.
- 7.7. Only Members who are fully paid-up and in good standing may store aircraft on the Company premises or operate any aircraft from any area under the control of the Company. Any holder of any 'Right of Use' of any portion of Company premises shall ensure that the owners of any aircraft stored on their sites are at all times fully paid up members and shall be responsible for ensuring that this condition is met. The 'Right of Use' holder shall be liable for any outstanding membership fees in the event of these conditions not being met.
- 7.8. Visiting aircraft, or aircraft belonging to non-members that are intended to be stored for a limited period only, may be accommodated on any site for a maximum of 30 days. Holders of any 'Right of Use' of any portion of Company premises who permit any aircraft to exceed this limited period shall be liable for the costs of full membership of the owner for the period concerned.
- 7.9. A breach of rule 7.7 or 7.8 shall constitute gross misconduct and will result in disciplinary action in terms of the MOI and possible termination of membership if found guilty.
- 7.10. No Member is permitted to store or operate any aircraft exceeding a MAUW of 1800Kg from the Airfield without the written permission of the Exco.
- 7.11. No Member may operate any aircraft for neither financial gain nor undertake any commercial activity whatsoever at Morningstar Airfield except in terms of Rule 10 hereunder.
- 7.12. Under no circumstances may any liquid or other material classified as waste or hazardous waste, including but not limited to, fuel, oil, paint, sewerage, building material or domestic rubbish, be disposed of on the Airfield or its environs. Failure to observe this Rule may place the Company in contravention of its approved Environmental Plan and accordingly the member responsible will be subject to a disciplinary hearing and held responsible for any losses the Company may suffer by their actions.

## **8. FLYING RULES**

- 8.1. Members shall at all times adhere to the Air Navigation Rules as laid down by the South African Civil Aviation Authority and shall in addition display good airmanship and courteousness to Members, visitors and other pilots while operating any aircraft wherever they may be so as to keep the good name of the Company intact.
- 8.2. Members shall ensure that any aircraft under their command comply with all legal requirements regarding the operation of aircraft as specified in the South African Civil Aviation Acts of the Republic of South Africa. Failure to comply with this clause will constitute gross misconduct.
- 8.3. Any member who is deemed by the Exco to be operating any aircraft in an unsafe manner will be suspended following a disciplinary hearing.
- 8.4. No Member may over-fly any hangar, person or group of persons in such a manner as to cause a nuisance or endanger life or property at the Airfield.



- 8.5. No Member shall be permitted to perform aerobatics in the vicinity of the Airfield, save with the express permission of the Exco for the purposes of displays at organised events or practice for such events.
- 8.6. No Member shall be permitted to perform any flight manoeuvres within the vicinity of the Airfield other than are necessary for the purpose of take-off or landing, or required for the purposes of pilot training or the testing of any aircraft, without the permission of the Exco of the Company.
- 8.7. Due to the land lease conditions, and notwithstanding the Civil Aviation Regulations in force at the time, no pilot shall be permitted, other than in an actual emergency, to overfly the N7 highway at a height of less than 100m AGL in the vicinity of the Airfield (equivalent to 600ft altitude on local Morningstar QNH).
- 8.8. Other than in an actual emergency, only the runway may be used for take-off and landing, regardless of aircraft type. Helicopters may use apron areas in front of hangars that face directly onto the runway, but must at all times maintain awareness of and appropriate clearance away from other aircraft, whether stationary or moving, that may be affected by rotor-wash.
- 8.9. Taxying of aircraft is restricted to the taxiways, and pilots must at all times exercise due caution when using the taxiways between hangar rows. Taxi speed must not exceed a fast walking pace.
- 8.10. Helicopters may not air taxi to the east of the main taxiway, Alpha, that is parallel to the runway other than to land or take-off from an apron adjacent to a hangar that faces directly onto the runway.
- 8.11. Helicopters may not land or take-off from the fuel bay area.
- 8.12. Helicopters and gyroplanes executing low speed manoeuvres at low heights above the ground between the runway and taxiway Alpha must at all times remain to the west of and may not cross taxiway Alpha, other than in the case of helicopters when they are manoeuvring to land on their designated apron. All aircraft performing low level manoeuvres over the runway area must be flown such that the aircraft's velocity vector remains parallel to the runway orientation.

## **9. JOINING & DEPARTURE PROCEDURE AT AIRFIELD**

The Airfield is unmanned and the Civil Aviation Authority Rules for unmanned airfields apply but Member Pilots operating into and out of the Airfield must adhere to the following:

- 9.1. Pilots of all aircraft operating within 2 nautical miles of the Airfield are to monitor their radios and broadcast intentions on the designated frequency.
- 9.2. Due to the land lease conditions, all circuits are to be conducted to the EAST of the Airfield. This means a LEFT HAND circuit for runway 20 and a RIGHT HAND circuit for runway 02.
- 9.3. All aircraft are to announce their approach a minimum of 2 minutes out. This means that aircraft approaching from the west should change frequency before crossing the railway line.
- 9.4. All aircraft (including microlight aircraft) shall join overhead at 1500ft altitude on local

QNH and shall descend on the inactive side (western side of runway) to a circuit altitude of 1000ft. Aircraft should initiate the crosswind leg overhead the upwind threshold of the runway in use.

- 9.5. Microlight aircraft (those with a circuit speed of less than 65 mph), gyros and helicopters are encouraged to keep their circuits short and tight to limit time spent in the circuit.
- 9.6. All arriving aircraft are to be on the lookout for departing traffic.
- 9.7. Traffic departing to either the EAST or WEST must maintain runway heading to a point 1nm beyond the upwind threshold and not climb above 1000ft altitude before initiating the turn onto departure heading. Special cognizance should be taken of aircraft descending on the western side to join the circuit.

## **10. COMMERCIAL OPERATIONS AT THE AIRFIELD**

The Company recognises that there are historic commercial enterprises providing aviation related services or products, as well as the Clubhouse catering and that these are generally beneficial to the members and the Company in general.

These commercial historic commercial enterprises and any future approved commercial activities will continue to be allowed and the Committee may from time-to-time approve new commercial businesses to operate at the Company, subject to the following rules:

- 10.1. Only commercial businesses of an aviation nature will be considered for approval to operate on the Company leased premises, save that a food-catering operator shall be allowed.
- 10.2. Any aviation commercial business or food caterer operating from the Company premises requires the prior approval and permission in writing of the Exco.
- 10.3. The Exco shall only authorise aviation commercial enterprises related to the servicing and maintenance of aircraft, flight training and other aviation related businesses and the Exco shall take into account the impact such businesses will have on members and the airfield when making the decision whether to approve such businesses.
- 10.4. For the avoidance of doubt, if any Exco member has an interest in an aviation commercial businesses already operating or applying to operate from the Company premises, that Exco Member shall recuse him/herself from all deliberations in regard to any CROU application.
- 10.5. There shall be one catering operator allowed on the premises that may only operate as designated by the Exco.
- 10.6. The operation of a commercial enterprise will require the approval of the City of Cape Town for the commercial enterprise to be hosted on the Company's leased premises.
- 10.7. These commercial operations will be allowed subject to terms and conditions that may be imposed by any lease signed between the Company and the City of Cape Town in relation to commercial activities on the leased premises.
- 10.8. All CROU holders will be required to issue an indemnity to the Company, in a form acceptable to the Company, which indemnifies and holds the Company harmless from any action carried out by the CROU holder, its suppliers, its customers,

employees or anyone connected directly or indirectly to them that causes any damage or harm to the Company or its premises. Such indemnity shall indemnify the Company for any costs, taxes or other encumbrances that the Company may suffer or incur as a result of these actions.

- 10.9. Any CROU holder who through a breach of the terms of their CROU, the indemnity referred to in paragraph 10.8 above or in the pursuit of their business causes harm or damage to the Company or its premises of whatsoever nature shall be required to make good such damage to the satisfaction of the Company and the Company shall have the right to recover reasonable costs to ensure such damage is made good. Failure to do so within 60 days of notice will be considered a material breach of the CROU and shall be grounds for immediate cancellation of the CROU.
- 10.10. Any commercial operation carrying on a business on the Company's leased premises is required to pay to the Company a monthly Commercial Right of Use Levy as a contribution to the operational budget of the airfield.
- 10.11. The amount of the CROU is to be decided by the Committee in consultation with the CROU applicant but the decision of the Committee shall be final.
- 10.12. CROU operators are required to pay electricity availability and usage charge as determined by the Company.
- 10.13. The Company will provide basic electricity to the CROU premises within the capability of the Company electricity infrastructure as determined by the Committee. Any additional power requirements by the operator are to be arranged by the CROU holder.
- 10.14. Borehole water will be provided to the CROU premises but not for human consumption. Drinking water is to be provided by the CROU operator at their cost.
- 10.15. The following commercial aviation operations are specifically not permitted at the Company:
  - 10.15.1. Part 135 (Charter Operations) or any form of scheduled flight operation.
  - 10.15.2. Part 93 (Corporate Flight Operations)
  - 10.15.3. Banner towing
  - 10.15.4. Crop Spraying
  - 10.15.5. Commercial helicopter operations
  - 10.15.6. Skydiving
  - 10.15.7. Commercial Drone operations

The CROU owners acknowledge that the Company leases the premises and is subject to the terms of a lease. Should the Landlord cancel the lease and require the Company to leave the premises at any stage, the CROU holders will be subject to the same notice period as the Company.

- 10.16. All approved commercial operations shall be subject to the operational Rules as laid out in Appendix C – Commercial Operations Right of Use Rules and Operational Regulations.
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## **APPENDICES TO THE MORNINGSTAR FLYERS ASSOCIATION (the “NPC”) RULES**

APPENDIX A - HANGAR MEMBERSHIP and RIGHT of USE RULES

APPENDIX B - HANGAR CONSTRUCTION

APPENDIX C - **COMMERCIAL RIGHT OF USE RULES AND OPERATIONAL  
REGULATIONS**

## **APPENDIX A - HANGAR MEMBERSHIP and RIGHT of USE RULES**

### **1. HANGAR MEMBERSHIPS AND RIGHT OF USE**

- 1.1. In order to erect any hangar/structure at Morningstar or, where a hangar/structure already exists on a site, in order to be issued with a Right of Use Certificate, a member shall be required to purchase a "Hangar Membership" for each and every site to be occupied. Such Hangar Membership is in addition to full membership of the NPC and is only available to a full member in good standing and in so far as a hangar site is available, whether developed or undeveloped.
- 1.2. Hangar Memberships may only be purchased from the NPC and in no circumstances are transferable, whether for any consideration or not, between members or between members and non-members.
- 1.3. A "Right of Use" is issued by the MFC to a Hangar Member for a specific site in terms of the Rules. Other than provided for in this Appendix A Rule 1.3.1 below, Right of Use is in no circumstances transferable between members or between members and non-members.
  - 1.3.1. Where two Hangar Members in good standing agree to exchange their Rights of Use over two specific sites (whether or not this involves any consideration between the two Hangar Members in respect of their hangar structures), this may be done with the prior written approval of the Executive Committee and no additional Hangar Membership will be payable by either Hangar Member to MFC.
- 1.4. A once off Hangar Membership fee, as set by the Executive Committee from time to time, shall be paid to the NPC in order for a Hangar Member to be issued with a 'Right of Use' for a specific site. Such site shall be limited to an area of 240 square meters on a site to be allocated by the MFC. An additional fee shall be due for securing the Right of Use to any area in excess of the standard 240sqm. This fee shall be calculated pro-rata based on the actual site area approved for Right of Use ie adjusted upwards or downwards from the standard Hangar Membership fee which is based on a 240 square meter site.
- 1.5. Site positions (designated by site numbers) in respect of Right of Use at Morningstar will only be reserved for a period of one calendar year from the date of payment for Hangar Membership. In the event of the Hangar Member failing to complete the erection of a hangar structure within one calendar year of payment of the Hangar Membership fee, the Executive Committee may, at its discretion, revoke the 'Right of Use' corresponding to such site and the member shall forgo the Right of Use attached to such site. In this event the Hangar Membership shall be considered to have been relinquished in terms of Appendix A Rule 1.9.1.
- 1.6. Where the 'Right of Use' to any site is granted to more than one person, one right holder shall be designated as the 'Primary Right Holder', but the names of all members must appear on the Right of Use Certificate issued by the Executive Committee.
- 1.7. Only Hangar Members in good standing shall have the right to erect hangars at Morningstar Airfield on a site allocated for such purpose by the Executive Committee.
- 1.8. Hangar Membership and/or the 'Right of Use' of any site shall not confer any ownership or security of tenure over such site by the Hangar Member and neither shall in any

circumstances be transferable to any other party. Any rights of ownership that may arise are limited to the moveable structure on such site.

## 1.9. Relinquishing of Hangar Membership and Right of Use

### 1.9.1. Undeveloped Sites

No Hangar Member shall in respect of any undeveloped site in any way dispose of, transfer or cede any of the rights attached thereto to any other party. In the event that a Hangar Member elects to forego the right to erect a hangar structure on the corresponding undeveloped site, then the MFC shall refund the original purchase price paid by such Hangar Member for Hangar Membership on full settlement of any outstanding levies or other amounts owed by such Hangar Member and only in cases where the site is undeveloped.

### 1.9.2. Developed Sites

1.9.2.1. A Hangar Member may only dispose of or sell a hangar structure, whether partially or fully developed, to another Hangar Member who, in order to be issued with a Right of Use Certificate for such site, must first purchase a Hangar Membership from the MFC at the price set from time to time by the Executive Committee applicable at the time the Hangar Membership for the specific site is being purchased.

1.9.2.2. In the event that a Hangar Member elects to forego the Right of Use issued by MFC in respect of a developed site, and sell or otherwise transfer the ownership of the moveable structure erected on such a site to an incoming Hangar Member in terms of this Appendix A Rule 1.9.2.1 above, the outgoing Hangar Member shall not be entitled to any refund of the original amount paid by such Hangar Member for Hangar Membership.

1.9.2.3. A new Right of Use certificate shall be issued to the incoming Hangar Member only once full payment of the Hangar Membership fee by the incoming Hangar Member has been received by MFC.

## 2. RIGHT OF USE LEVIES AND SERVICE CHARGES

2.1. A Right of Use Levy based on a Hangar Member's Right of Use area plus additional service charges for electricity usage or any other applicable service ("Levies and Charges") levied by the NPC shall be payable by the Hangar Member on a quarterly basis or such period deemed necessary by the Committee.

2.2. The Hangar Member, and where applicable, the 'Primary Right Holder' shall be responsible for the payment to the NPC of all Levies and Charges.

2.3. A Hangar Member's Right of Use Levy shall be determined in accordance with the following:

2.3.1. In the first 12 months following the payment of the once off Hangar Membership in respect of an undeveloped site: 25% of the full Right of Use Levy as determined by the Executive Committee from time to time.

2.3.2. For every month following the first 12 months as per Appendix A Rule 2.3.1 above, or where a Hangar Membership is acquired on an already developed site, for every month after the Hangar Membership is acquired: 100% of the Right of Use Levy as determined by the Executive Committee from time to time.

2.3.3. It should be noted that the reduced Right of Use Levy payable during the first 12 months of Hangar Membership is intended to allow the Hangar Member sufficient time to obtain approved plans and attain substantial completion of a hangar structure. In the event that planning approvals are frozen by the Local Authority

for a period, or where the Executive Committee suspends the commencement of hangar construction on the Airfield for any period, the Executive Committee may, at its discretion extend the 12 month period on a fair and equitable basis to Hangar Members so affected.

- 2.4. MFC shall, in addition to the Right of Use Levy, charge each Hangar Member monthly service charge in respect of the usage and availability of electricity and other services as may be applicable from time to time. The NPC reserves the right to set the payment intervals for these charges at intervals longer than monthly.
- 2.5. Failure to pay the Levies and Charges within 90 days of due date shall result in immediate suspension of membership of the NPC as well as the suspension of the 'Right of Use' of any site. The suspended member shall be denied access to the MFC and the use of any hangar until such time as the outstanding Levies and Charges are paid in full. Furthermore, penalties for late payment shall be due, calculated at 10% of the outstanding amount for each month that the account is overdue. If payment is not received by the NPC of all outstanding amounts plus penalties within a further 30 days, membership of the NPC as well as any Right of Use shall be terminated and the MFC shall have the right to attach any fixed assets remaining on the site which shall then be sold via an auction to be instituted by the Executive Committee. The outstanding amount due plus any costs incurred in the act of disposal of the assets shall be deducted from the proceeds of the sale. Thereafter any remaining proceeds of the sale shall be paid to the original holder of the said 'Right of Use'.

### 3. RIGHT OF USE CERTIFICATE

- 3.1. A Right of Use Certificate will be issued by the Executive Committee of the NPC to a Hangar Member once all the relevant provisions of Appendices A and B to the Rules have been complied with and the hangar has reached substantial completion (defined as a hangar structure with a roof and three enclosed sides).
- 3.2. Other than provided for in this Appendix A Rule 1.3.1, a Right of Use Certificate is not transferable between members and can only be issued by the Executive Committee to a Hangar Member in respect of the site corresponding to such Hangar Membership.
- 3.3. Where a number of Members share a Hangar Membership corresponding to a particular site, then the names of all the members must appear on the Right of Use Certificate, together with their respective share in the Hangar Membership.
- 3.4. In the event that there is a change in membership to an existing Right of Use Certificate that has been issued by the Executive Committee and the certificate is held by multiple members, then a pro-rata portion of the Hangar Membership fee applicable at the time the change takes place will be charged to the incoming Hangar Member. The pro-rata portion will be calculated based on the incoming Hangar Member's share of the Hangar Membership.



## APPENDIX B - HANGAR CONSTRUCTION

No construction may take place before the member has signed acceptance of the conditions pertaining to hangar construction as contained in this Appendix B to the Rules of the NPC for the construction of hangars as set out below:

- 1 - PROCEDURE FOR APPROVAL & ERECTION OF HANGAR STRUCTURES
- 2 - HANGAR CONSTRUCTION
- 3 - TIMETABLE FOR ERECTION OF HANGARS

Acknowledgement of the above:

I (Hangar Member):.....

of Site Number:.....

having read this Appendix B hereby undertake to abide by the terms and rules contained herein:

Signed at ..... on Date:.....

Signature\_\_\_\_\_

Witness\_\_\_\_\_

Name:



## 1. PROCEDURE FOR APPROVAL & ERECTION OF HANGAR STRUCTURES

- 1.1. Only structures suitable for the safe accommodation of aircraft may be erected on any site. Such structures shall be constructed of non-flammable material only and shall comply with all Local Authority bye-laws and all conditions as set out in the letter of approval from the Local Authority.
- 1.2. A copy of the drawings (plans) of any proposed structure shall be submitted by the Hangar Member to the Executive Committee Member for Airfield Planning prior to their submission to the Local Authority. Only once the Executive Committee has approved plans may they be submitted to the Local Authority for approval. The NPC shall issue the Hangar Member with a Site Development Plan as well as a letter addressed to the Local Authority granting the Hangar Member authorization to submit plans on the particular site for the proposed structure - these documents are to form part of the building approval application to be submitted to the Council. A copy of all these documents shall be retained by MFC for record purposes.
- 1.2. The cost of obtaining any and all approvals required from the Local Authority shall be for the account of the Hangar Member.
- 1.3. Before any work commences on any site, a copy of the plan as approved by the Local Authority must be lodged with the Executive Committee for record purposes and checked for compliance with the original plan as submitted to and approved by the Executive Committee in terms of Appendix B Rule 1.2. If the plan approved by the Local Authority deviates in a material way from that originally approved by the Executive Committee in terms of Appendix B Rule 1.2, no building work is to proceed until either the deviations are approved by the Executive Committee or a revised plan approved by the Executive Committee is re-submitted and approved by the Local Authority.
- 1.5. No construction shall commence on any site until the following have been complied with:
  - 1.5.1. Drawings approved in writing by the Executive Committee and the Local Authority have been lodged with the Executive Committee;
  - 1.5.2. The corresponding Hangar Member has indicated his acceptance of the procedures, terms and conditions relating to the approval and erection of hangars at Morningstar by signing the Procedures and Conditions of Approval and Erection of Hangar Structures at Morningstar Airfield Acceptance Document and lodging the signed document with the Executive Committee Member: Airfield Planning;
  - 1.5.3. The pegged out position of the proposed structure has been inspected and approved by the Executive Committee Member: Airfield Planning;
  - 1.5.4. The water drainage scheme is acceptable and has been approved by the Executive Committee Member: Airfield Planning;
  - 1.5.5. A letter has been issued by the Executive Committee Member: Airfield Planning to the corresponding Hangar Member indicating that all of the requirements in terms of this Appendix B Rules 1.5.1 – 1.5.4 have been complied with and that construction on the site may commence.

## 2. HANGAR CONSTRUCTION

- 2.1. It shall be the responsibility of the Hangar Member to ensure that any construction undertaken at Morningstar by any member, agent or construction team, does not alter, damage, or interfere in any way with the free flow of existing or future storm water reticulation, mains water supply or electrical reticulation, or in any way impede the free flow of vehicular and aircraft traffic.
- 2.2. No construction material or equipment is to be positioned or stored closer than 10m from the edge of any roadway or taxiway.
- 2.3. The Hangar Member shall ensure that portable toilets for construction workers are provided on all hangar construction sites for the duration of the construction period. In addition, the Hangar Member shall ensure that such toilets are emptied on a weekly basis or sooner if required. Such toilets may be shared by arrangement with other Hangar Members if approved by the Executive Committee in writing.
- 2.4. Construction workers may not wander around the airfield and it shall be the Hangar Member's responsibility to ensure that they remain on the designated hangar construction site.
- 2.5. The use of electricity from the NPC's electrical supply for construction purposes is not permitted unless the Hangar Member ensures there is an electricity meter connected to the supply for the purposes of determining electricity consumed and charged for by the NPC. Failing that a Hangar Members and their contractors are to supply their own electrical generators for this purpose.
- 2.6. Construction crews are not permitted elsewhere on the Morningstar Airfield premises under any circumstances without the written permission of a member of the Executive Committee, Construction crews are not permitted to use any of the NPC's facilities, including the clubhouse.
- 2.7. No construction work is to take place over weekends or on public holidays without the written approval of a member of the Executive Committee.
- 2.8. No hangar structure may exceed 7m in height, measured vertically from natural ground level on the site to the highest point on the hangar roof.
- 2.9. No septic tanks may be used at Morningstar – all sewage (black water) shall be retained in a readily accessible approved conservancy tank in accordance with the approved Local Authority requirements and shall, at the members expense, be maintained and emptied on a regular basis.
- 2.10. Hangar Members shall ensure that all roof rain water and side-space storm water is channelled in an acceptable manner approved by the Executive Committee Member: Airfield Planning in terms of Clause 1.5.3 above, to the nearest site storm water reticulation system, storm water sump or channel.
- 2.11. Hangar Members shall be responsible for ensuring that all builders' rubble/waste material is removed from site on a regular basis during construction and that none remains after completion of construction.
- 2.12. Electrical
  - 2.12.1. Electrical Connections: The electrical supply to each hangar shall be limited to 25 Amps. The installation of this supply shall be to a junction box/meter affixed to the rear of the

hangar structure. The NPC's approved electrical contractors shall only undertake such work and the cost thereof shall be borne by the Hangar Member. Hangar Members shall connect to this supply point at their own cost. Hangar Members are to contact the Morningstar Airfield Manager to arrange for this installation.

### 2.13. Water

2.13.1. Water Supply: Hangar Members shall connect a 15mm 'Polycop' supply from their hangar to the closest existing MFC water mains connection point adjacent to their hangar. Water use shall be strictly controlled and irrigation of surrounding lawns shall be limited to a maximum of 15 minutes per day per hangar.

2.13.2. Water Drainage: Hangar Members shall ensure that all roof rain water and side-space storm water is channelled in a manner acceptable and approved by the Executive Committee Member: Airfield Planning in terms of Clause 1.5.4 above, to the nearest site storm water reticulation system, storm water sump or channel. In this respect, roof rain water shall be collected and directed towards the closest storm water channel/reticulation system in a controlled fashion (preferably in open surface concrete channels). Water shall not be permitted to flow onto any taxiway. Gutters shall be mandatory for roofs with overhanging eaves.

2.14. The Hangar member accepts that the NPC from time-to-time will charge a Right of Use Levy and other usage and availability levies and service charges. See Appendix A to the Rules of the NPC.

### 3. TIMETABLE for ERECTION OF HANGARS

3.1. Hangar Members shall submit building plans to the Local Authority (Council) for planning approval within 3 months of date of payment of Hangar Membership for the applicable site.

3.2. Hangar Members shall complete the construction of the hangar as approved by Council within 12 months of date of payment of Hangar Membership for the applicable site.

3.3 Members who cannot meet these requirements may submit a motivation for a request for extensions to these periods. Such extensions shall only be valid where granted in writing by the MFC Executive Committee.

## **APPENDIX C - COMMERCIAL RIGHT OF USE RULES AND OPERATIONAL REGULATIONS**

## **1. INTRODUCTION**

The commercial enterprises that operate from the NPC premises will be subject to the following Rules:

- 1.1. Only commercial operations that offer aviation related services and products plus the Clubhouse catering are allowed on the NPC's leased premises.
- 1.2. Any commercial business operating on the NPC's premises is expected to conduct business in a legal, ethical, non-discriminatory and fair manner.
- 1.3. Such operations are required to respect the unique position afforded them to operate on the premises of a sports and recreational NPC and will recognise that in all instances the interests of NPC Members take precedence over the needs of such operations.
- 1.4. Commercial operations may not operate to the detriment of the NPC, its members nor the environment.
- 1.5. All commercial businesses shall ensure they hold public liability and risk insurance acceptable to the NPC and that such cover protects the NPC in the event of a claim against the CROU holder.
- 1.6. Any commercial business operating on the NPC's premises is required to sign a CROU to operate or to continue to operate on the NPC premises.
- 1.7. Every CROU shall be for an initial period of 12 months and automatically renewed annually thereafter subject to the provision of 6 months notice by either side to cancel. However, should the CROU be in breach and not rectify such breach within 30 days of notice of such breach the CROU may be cancelled at the end of the notice period.
- 1.8. The NPC accepts no liability for these operations and members utilise these services at their own risk.

## **2. APPROVED MAINTENANCE OPERATION ("AMO")**

Any AMO registered with the South African Civil Aviation Authority ("SACAA") that currently operates or seeks to operate from the NPC's premises is required to abide by the following Rules:

- 2.1. It will be compliant with all applicable CATS, CARS and other SACAA regulations at all times.
- 2.2. Ensure it is compliant with any applicable City of Cape Town regulations pertaining to businesses operating within the Metro area including payment of City rates and taxes.
- 2.3. Maintain compliance with NPC Rules at all times.
- 2.4. In particular, maintain compliance with any environmental regulations applicable to its operations and shall abide by the NPC's approved Environmental Plan at all times.
- 2.5. Be tax compliant with SA Revenue Service.
- 2.6. The AMO shall ensure it holds public liability and risk insurance for an amount satisfactory to the Committee, which shall cover accidents caused by fire, damage to nearby hangars and injury or death to persons. Proof of such insurance is to be provided to the Committee.

- 2.7. The AMO shall indemnify the NPC against any liability claims arising from their commercial operations and/or presence on the airfield.
- 2.8. Shall conduct its business so as to minimise interference and disruptions to Members enjoyment of NPC facilities.
- 2.9. All non-member clients and staff vehicles are required to park in the Visitors' Car Park outside the active side of the airfield.
- 2.10. Keep taxiways clear of parked aircraft so as not to restrict free movement of members' aircraft and motor vehicles.
- 2.11. Visiting aircraft may land at the airfield to be serviced at the AMO, subject to NPC rules pertaining to the runway weight limit.
- 2.12. The AMO may not use the Members' Clubhouse to conduct business, except by prior application in writing to the Committee.
- 2.13. The AMO shall maintain the area it occupies in a clean and orderly manner.
- 2.14. The AMO will pay its CROU Levy upon receipt of invoice.
- 2.15. If, in the opinion of the Committee, the CROU holder is in breach of any of these terms it shall be notified in writing by the NPC and further shall be granted 30 days to rectify the problem failing which it shall lose its CROU and will be required to vacate the premises within 3-months.

### **3. NTCA MAINTENANCE OPERATIONS**

- 3.1. The NPC is supportive of allowing qualified Aero Club registered Approved Persons and other acceptable Aircraft Technicians access to the NPC to conduct maintenance of members' non-type certified aircraft.
- 3.2. All such service providers will be compliant with applicable CATS, CARS and other SACAA regulations at all times.
- 3.3. If an AP or technician wishes to offer such services to members he/she must register with the NPC as a Service Provider and acceptance of such registration shall be at the absolute discretion of the Committee.
- 3.4. Registered service providers shall sign an indemnity that indemnifies and holds the NPC harmless from any work or activity carried out by the Service Provider whilst on the airfield.
- 3.5. Registered Service Providers will be allowed gate access onto the active side of the airfield from 08h00 to 17h00 or later by arrangement.
- 3.6. All Service Providers are required to acquaint themselves with the Rules of the NPC and to sign an acknowledgement that they have done so and to abide by the Rules when visiting the airfield.
- 3.7. Service Providers may conduct their work in client hangars as required when serving client aircraft.

### **4. FUEL DISTRIBUTION**

- 4.1. The holder of a fuel distribution CROU shall have the exclusive right to sell Avgas and petrol from the designated fuel distribution site.
- 4.2. The designated fuel distribution site remains under the control of the NPC and the CROU holder has no business rights other than to distribute fuel to aircraft.
- 4.3. The CROU holder may install equipment and improve the site to enable it to conduct its fuel sale business and such equipment installed shall remain the property of the CROU holder.
- 4.4. The CROU holder shall ensure it is compliant with applicable CATS, CARS and other SACAA regulations pertaining to fuel distribution at all times.
- 4.5. The Fuel CROU holder shall comply with applicable fire regulations and shall obtain a certificate of compliance from the fire department and lodge this with the NPC.
- 4.6. The Fuel CROU holder shall ensure it holds public liability and all risks insurance for an amount acceptable to the Committee to cover accidents caused by fire; fuel or oil spillage; damage to aircraft, vehicles and nearby hangars; and injury or death to persons. Proof of such insurance to be provided to the NPC.
- 4.7. The Fuel CROU holder shall indemnify the NPC against any liability claims arising from their commercial operations and/or presence on the airfield.
- 4.8. The CROU holder shall ensure it is compliant with any applicable City of Cape Town building and other regulations pertaining to a fuel distribution businesses operating within the Metro area including payment of City rates and taxes.
- 4.9. Maintain compliance with NPC Rules at all times.
- 4.10 In particular, the CROU holder will comply with any environmental regulations applicable to its operations and shall abide by the NPC's approved Environmental Plan at all times. Furthermore it shall keep and maintain the necessary equipment, as required, to deal with fuel spills.
- 4.11. Be tax compliant with SA Revenue Service.
- 4.12. The Fuel CROU acknowledges that fuel dispensing at Morningstar Airfield is primarily for the benefit of Members' aircraft and the refuelling of aircraft shall take precedence at all times unless agreed to otherwise by the member concerned.
- 4.13. Visiting aircraft may land (subject to NPC rules pertaining to the runway weight limit) at the airfield to uplift fuel.
- 4.14. There shall be no dispensing of fuel to motor vehicles or into storage tanks, drums and the like on the active side of the airfield unless the customer is a member pilot operating an aircraft or prior permission has been obtained in writing from the Committee for a bulk uplift by a visiting non-member customer. There will be no sales of fuel to walk-in non-member customers allowed.
- 4.15. Fuel dispensing opening hours shall be at the discretion of the CROU but they shall be required to offer a reasonable daily operating time Monday to Saturday with a shorter time on a Sunday permissible. The operator shall advise members of its opening time changes at least 2 weeks in advance of such a change.

4.16. The Fuel CROU holder shall keep the site clean and in good order at all times.

May not use the Members' Clubhouse to conduct business, except by prior application in writing to the Committee.

4.18 If, in the opinion of the Committee, the Fuel CROU holder is in breach of any of these terms it shall be notified in writing and shall be granted 30 days to rectify the problem failing which it shall lose its CROU and will be required to vacate the premises.

## **5. FLIGHT TRAINING OPERATIONS (“FTO”)**

5.1. The holder of a FTO CROU has the right to offer flight-training services on the airfield.

5.2. The FTO CROU holder may install equipment and improve its allocated site to enable it to conduct its business and such equipment installed shall remain the property of the CROU holder.

5.3 The FTO CROU holder shall hold a current Approved Training Organisation Certificate and ensure it is compliant with applicable CATS, CARS and other SACAA regulations at all times.

5.4 The FTO CROU holder shall comply with applicable fire regulations and shall obtain a certificate of compliance from the fire department and lodge this with the NPC.

5.5. The FTO CROU holder shall ensure it holds public liability and risk insurance for an amount acceptable to the Committee, which shall cover accidents caused by fire, damage to nearby hangars and injury or death to persons and proof of such insurance shall be provided to the NPC by the CROU within 7-days of a request for such certificate by the Committee.

5.6. The CROU holder shall ensure it is compliant with any applicable City of Cape Town building and other regulations pertaining to its business including payment of City rates and taxes.

5.7. Maintain compliance with NPC Rules at all times.

5.8 Maintain environmental compliance in accordance with the NPC's environmental plan.

5.9. Shall be tax compliant with SA Revenue Service.

5.10. May not use the Members' Clubhouse to conduct business, except by prior application in writing to the Committee.

5.11. The FTO agrees that the airfield is primarily for the use and enjoyment of members and that it shall endeavour to minimise any disruptions its operations may cause to members. It shall be the absolute right of the Committee to impose operating rules to enforce this should it consider the FTO is not adhering to this requirement.

5.12. All customers of the FTO undertaking ab initio instruction or subsequent advance training are required to become Student Members under the following terms:

10.16.1. They shall not pay the NPC-joining fee;

10.16.2. They are required to pay the annual flying member subscription as set by the Committee from time-to-time.



- 10.16.3. A Student Member shall be nominated by a FTO representative and seconded by a designated Committee member and subject to the usual rules for membership as laid down in the NPC MOI.
- 5.13. A non-member exiting pilot seeking advanced training of a temporary nature (requiring less than 1-months training), such as IF renewals, type conversions, CPL renewal and PPL renewal, etc. shall not be required to become a member but shall pay a service fee to the NPC to be determined by the Committee for use of the NPC facilities.
- 5.14. FTO's shall provide to the Committee Membership member the following information on a monthly basis by the 7<sup>th</sup> of the following month:
- i. Total Flight hours for the month;
  - ii. Total number of students on book at month end;
  - iii. A reconciliation of student membership applications received and subscriptions paid to the NPC;
  - iv. Students achieving their pilot licence;
  - v. Accidents and incidents
- 5.15. The FTO safety officer shall work closely with the NPC Safety Officer to ensure flight operation safety is maintained at the airfield.
- 5.16. The Committee may impose any rule it considers necessary to maintain safety and operational standards at the airfield but shall give prior notice of changes to the FTO.
- 5.17. The NPC is supportive of hire and fly operations by FTO's subject to the following:
- i. Any person hiring an aircraft from an ATO must be a Flying Member of the NPC;
  - ii. Save that non-resident visiting pilots, such as overseas pilots visiting the Country, may become a Country Member if their intended stay is less than one month.
  - iii. Hire and fly is only for personal use of the pilot hiring and not for gain or charter operations.

## **6. CLUBHOUSE CATERING**

- 6.1. The NPC may grant an approved operator a CROU to provide catering services to members.
- 6.2. The NPC reserves the right to allow other food vendors to operate on the NPC premises during special events arranged by the NPC.
- 6.3. Such catering services to be conducted from the Clubhouse and may use the kitchen and catering equipment plus the tables and chairs provided.
- 6.4. The catering operator shall be responsible for providing ingredients, preparing and serving the food to members and their guests.
- 6.5. The catering operator may charge for this service but such charge to be reasonable with regard to comparable restaurants of a similar nature.
- 6.6. The catering operator may serve alcohol under the NPC Liquor Licence but must abide by the relevant laws in that regard. Failure to do so may result in the NPC losing its Liquor Licence in which case the Catering CROU shall be held responsible for any costs the NPC may incur in the way of fines and reapplying for the licence.

- 6.7. All food preparation and serving shall be done under the best possible health and safety conditions that meet the requirements of City regulations.
- 6.8. The catering operator is required to provide its own staff and shall be responsible for their remuneration and terms of service. The NPC accepts no liability for such staff.
- 6.9. At a minimum food shall be served Tuesday to Friday 09h00 to 15h00, Saturday 08h00 to 15h00 and Sunday 08h30 to 14h00.
- 6.10. The catering operator will not be charged a CROU levy nor for water and electricity usage but all other costs pursuant to their business will be for their own account.