



CONSTITUTION OF THE SOUTH AFRICAN ASSOCIATION OF THE FLAVOUR AND FRAGRANCE INDUSTRY

September 2002
(Modified December 2004)
(Modified January 2007)
(Modified January 2014)
(Modified January 2019)
(Modified January 2021)

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1. NAME

- 1.1. The organization hereby constituted will be called: "The South African Association of the Flavour and Fragrance Industry".
- 1.2. Its shortened name will be "SAAFFI", hereafter referred to as "the Organisation".
- 1.3. The Organisation will:
 - 1.3.1. exist in its own right, separately from its Members
 - 1.3.2. continue to exist even when its membership changes and there are different Office Bearers
 - 1.3.3. be able to own property and other possessions
 - 1.3.4. be able to sue and be sued in its own name.

2. OBJECTIVES

- 2.1. The Organisation's main objectives are to provide opportunities for collaboration between Member Companies/Institutions and to further and protect their interests.
- 2.2. The Organisation shall also work in collaboration with other organisations that have dealings with the flavour and fragrance industry.
- 2.3. The Organisation shall also encourage the dissemination of information and knowledge about the flavour and fragrance industry through seminars, workshops and information sessions.

3. INCOME AND PROPERTY

- 3.1. The Organisation will keep records of everything it owns.
- 3.2. The Organisation may not give any of its money or property to its Members or Office Bearers. The only time it can do this is when it pays for work that a Member or Office Bearer has done for the Organisation. The payment must be a reasonable amount in keeping with the work done.
- 3.3. A Member of the Organisation can only get money back from the Organisation for expenses paid for on behalf of the Organisation.
- 3.4. Members or Office Bearers of the Organisation have no rights over belongings of the Organisation.

4. MEMBERSHIP

4.1. DEFINITIONS

- 4.1.1. Membership is of a 'Corporate' nature and comprises of Companies and Institutions.
- 4.1.2. Member Companies and Member Institutions hereafter will be referred to as "Members".

4.2. FULL MEMBERSHIP

- 4.2.1. Full membership of the Organisation shall be open to all Manufacturers and Suppliers of Flavourings and/or Fragrance Compounds.
- 4.2.2. Full membership of the Organisation shall also be open to Manufacturers and Suppliers of products closely aligned to the flavour and fragrance industry.
- 4.2.3. Each Full Member is represented by one appointed person, in whom will be vested the voting rights for that Member. Whenever possible, this appointed person should be the legal head of the Member Company/Institution. This person will be referred to as being the 'Official Representative'.

4.3. ASSOCIATE MEMBERSHIP

- 4.3.1. Associate membership of the Organisation shall be open to all Suppliers of Raw Materials and/or certain Services to Manufacturers and Suppliers of Flavourings and/or Fragrance Compounds.
- 4.3.2. Each Associate Member is represented by one appointed person who will be referred to as the 'Official Representative'.
- 4.3.3. Associate Members are entitled to all relevant services of the Organisation, but shall not have direct access to the SAAFFI Database.
- 4.3.4. Associate Members shall have no voting rights.

4.4. PARTNER MEMBERSHIP

- 4.4.1. Partner membership of the Organisation shall be open to all Manufacturers and/or Retailers of Fast Moving Consumer Goods containing flavourings or fragrance compounds.
- 4.4.2. Each Partner Member is represented by one appointed person who will be referred to as the 'Official Representative'.
- 4.4.3. Partner Members are entitled to all relevant services of the Organisation, but shall not have direct access to the SAAFFI Database.
- 4.4.4. Partner Members shall have no voting rights.

4.5. INTRODUCTORY MEMBERSHIP

- 4.5.1. Introductory membership of the Organisation shall be available to encourage smaller companies/organisations to join (or even bigger ones, if for a good reason) at a reduced membership fee.
- 4.5.2. Each Introductory Member is represented by one appointed person who will be referred to as the 'Official Representative'.
- 4.5.3. Introductory Members are entitled to all the relevant services of the Organisation but will not have direct access to the Database.
- 4.5.4. Introductory Members shall have no voting rights.
- 4.5.5. Introductory membership will be for a maximum of two years, starting from the January of the year of joining.

4.6 MEMBERSHIP – GENERAL

- 4.6.1. Abiding by the SAAFFI Code of Practice is an integral part of membership. Each Member will indicate its agreement to abide by the SAAFFI Code of Practice by annually signing a letter to that effect.
- 4.6.2. Every prospective Member must sign such a letter before its application for membership can be completed.
- 4.6.3. Applications for membership are to be approved by a simple majority of the Management Committee. In the case of a tie, the Chairperson shall have a second or casting vote.

- 4.6.4. A Member may resign from the Organisation by giving at least one calendar month's notice, in writing of its intention to do so, provided however that no resignation shall take effect until all monies due by the Member to the Organisation shall have been paid.
- 4.6.5. A Member shall cease to benefit from the services of the Organisation if it is more than three calendar months in arrears in the payment of monies owing to the Organisation.
- 4.6.6. A Member whose payments are more than three calendar months in arrears can be expelled from the Organisation, as long as the process outlined in 4.6.7 has been followed.
- 4.6.7. Should it be deemed necessary to expel a Member for any reason, it shall require at least 50% of all Full Members to indicate their agreement by way of a written vote. The reason and supporting arguments shall be sent to all Full Members with the request to vote by a given date. The voting form is to allow for all three possibilities: For the expulsion; Against the expulsion; Abstention from voting. Should there be a tie, the Chairperson shall have a second or casting vote.
- 4.6.8. The membership year is the 12 month period between 1st January and 31st December.
- 4.6.9. A Member is understood to be one whose annual subscription fee has been paid within the prescribed time frame.

5. LIABILITY OF MEMBERS

- 5.1. The liability of Members shall be limited to:
 - 5.1.1. the payment of entrance fees, subscriptions, or levies as the Organisation in general meeting may from time to time fix or impose upon its members
 - 5.1.2. any other decisions agreed upon by the Organisation in any general meeting.

6. GENERAL MEETINGS

- 6.1. A general meeting of Members, to be called the Annual General Meeting, shall be held once in every calendar year for the purpose of transacting the following business:
 - 6.1.1. to receive the Annual Report and Financial Statement covering the activities and affairs of the Organisation for the preceding financial year
 - 6.1.2. to elect the Management Committee to hold office for a two year period (see paragraph 8.1)
 - 6.1.3. to appoint an Executive Director for a two year period
 - 6.1.4. to appoint an independent Accounting Officer for a two year period
 - 6.1.5. to approve the minutes of the previous Annual General Meeting
 - 6.1.6. to transact such other general business of which notice has been given.
- 6.2. All other general meetings are called Special General Meeting.
- 6.3. A meeting may be called by the Chairperson whenever any matter of an urgent nature to Members shall, in his/her opinion, warrant the holding of such meeting.
- 6.4. A meeting shall be called by the Executive Director if requisitioned in writing by at least five (5) Members.
- 6.5. Notice of any General Meeting shall be given to Members not less than fourteen days before the date of such meeting. However, the Chairperson may authorise the giving of a shorter period of notice where any urgent matter requires consideration by the Organisation.
- 6.6. No business shall be transacted at any General Meeting unless a quorum of Members is represented. A quorum is formed by one-third or more of the Full Members being represented, either by their Official Representative or by a proxy. If no quorum is present within fifteen (15) minutes of the announced time

of the meeting, it shall stand adjourned for one week and shall assemble at the same time and place, when the Members present shall form a quorum.

- 6.7. The Chairperson or, in his/her absence, the Vice-Chairperson shall preside at all General Meetings. If neither the Chairperson nor Vice-Chairperson is present, the meeting may elect its own Chairperson.
- 6.8. Each Member shall be entitled to be represented at all General Meetings by one nominated person or to be represented by proxy. Each Full Member shall be entitled to one vote.
- 6.9. All matters voted upon at any General Meeting shall be decided by a simple majority of Full Members represented at the meeting, with the exception of the expulsion of a Member (see paragraphs 4.5.6 and 4.5.7), changes to the Constitution (section 14) and the dissolution of the Organisation (section 15).
- 6.10. In the case of equality of votes the Chairperson shall have a second or casting vote.
- 6.11. All meetings are to be minuted. These minutes are to be kept safely and are to be available for Members to consult.

7. VIRTUAL MEETINGS

- 7.1. In order to enable the smooth running of the Organisation without taking up too much of Members' time for meetings, Virtual Meetings may be held.
- 7.2. Although every effort shall be taken to conduct the Organisation's business at the Annual General Meeting, or at a Special General Meeting, questions needing quick attention and of a reasonably straight forward nature, may be sent out electronically.
- 7.3. In such cases, full details and background shall be sent to all Members, who shall be given at least 7 days to respond.
- 7.4. Non-response within the time delay given shall be taken as an abstention.
- 7.5. The results of Virtual Meetings will be communicated immediately to all Members, who shall have a further 3 days to object in writing to the decision taken.

8. MANAGEMENT

- 8.1. A Management Committee will manage the Organisation. It will consist of not less than 4 people. They shall be the Office Bearers of the Organisation. The Management Committee will be elected by the Full Members of the Organisation and shall consist of the Chairperson, the Vice Chairperson, the Executive Director and at least 1 other person. Within the Management Committee, the positions of Chairperson and Vice Chairperson have to be held by senior people working full-time for a SAFFI Full Member.
- 8.2. Any member of the Management Committee not attending three management committee meetings in a row, without having applied for and been granted leave of absence from the Chairperson, will be replaced.
- 8.3. Minutes will be taken at every meeting to record the Management Committee's decisions. The minutes of each meeting will be given to management committee members at least two weeks before the next meeting. The minutes shall be confirmed as a true record of proceedings by the next meeting of the management committee and shall thereafter be signed by the Chairperson.

9. POWERS OF THE ORGANISATION

- 9.1. The Management Committee takes on the power and authority that it believes it needs to be able to achieve the objectives as stated in section 2 of this Constitution. It must abide by the law.
- 9.2. The Management Committee has the power and authority to raise funds or to invite and receive contributions.

- 9.3. The Management Committee has the power to buy, hire or exchange any property in order to achieve the Organisation's objectives within approved budget parameters.
- 9.4. The Management Committee has the right to make by-laws for proper management, including procedures for the application, approval and determination of membership.

10. SUB-COMMITTEES

- 10.1. The Organisation may appoint such sub-committees as may be required and may determine or vary the powers of such sub-committees.
- 10.2. Sub-committees shall report to the Management Committee.
- 10.3. All sub-committee members shall receive notice of sub-committee meetings, which notice shall be given at least 7 days before and shall specify the business of such meeting.
- 10.4. The members represented at such meetings shall form a quorum for the meeting.
- 10.5. Sub-committees shall elect their own Chairperson.
- 10.6. All matters recommended by such sub-committees shall be by simple majority.

11. INDEMNITY OF OFFICERS

- 11.1. No Office Bearer of the Organisation shall be held personally liable for acts, receipts, neglects or defaults of other Members or Officer Bearers or for any loss, damage or misfortune whatever, which shall happen through the execution of the duties of his/her office, unless same shall happen through his/her dishonesty or gross negligence.
- 11.2. Every Office Bearer or servant of the Organisation shall be indemnified by the Organisation against all cost, losses or expenses which any Office Bearer or servant of the Organisation may incur or become liable to by reason of any contract entered into or act or thing done by him/her as such Office Bearer or servant or in any way in the discharge of his/her duties.

12. FINANCE

- 12.1. The Accounting Officer's duty is to audit the finances of the Organisation.
- 12.2. The day-to-day finances of the Organisation shall be controlled by a person specifically appointed to undertake this function. This person, referred to as the treasurer, shall arrange for all funds to be deposited in the name of the Organisation in such a bank as may be decided upon by the Organisation.
- 12.3. The funds of the Organisation shall be applied to the payment of expenses, the acquisition of property, the objectives specified in Section 2 of this Constitution and such other purposes as may be decided on by a general meeting of the Organisation. Section 30B of the Income Tax Act requires substantially the whole of the funds to be utilised for the principal object for which the Organisation has been established.
- 12.4. If the Organisation has funds that could be invested, such investments may only be with registered financial institutions, as listed in Section 1 of the Financial Institutions (Investment of Funds) Act, 1984.
- 12.5. Payments, except payments made from petty cash, shall be made electronically by the treasurer, with prior written approval by the Chairperson or Vice-Chairperson of the Organisation.
- 12.6. Proper books of account shall be kept to record all the financial transactions of the Organisation.
- 12.7. The financial year of the Organisation shall close on the last day of December each year.
- 12.8. True copies of the balance sheet and other final accounts prepared by the Accounting Officer for each financial year, shall be forwarded to Members prior to the Annual General Meeting.

- 12.9. The Organisation's accounting records and reports must be submitted to the Director of Non-profit Organisations within 6 months of the Organisation's financial year-end.
- 12.10. Only companies/institutions whose annual fees have been fully paid are regarded as being Members.
- 12.11. The amount of the annual subscription fee payable by Members during any year shall be determined at the Annual General Meeting of the Organisation. Should the amount differ from that already paid, the difference shall be payable/repayable within thirty days of notification of the amount determined.

13. EXECUTION OF DOCUMENTS

All Powers of Attorney, deeds or other formal documents shall be executed by the Chairperson or Vice-Chairperson of the Organisation together with at least one other Office Bearer.

14. AMENDMENTS TO THE CONSTITUTION

Any of the objectives of the Organisation and any of the provisions of the Constitution may be repealed, amended or added to in any manner by resolution of a General Meeting of the Organisation, provided that:

- 14.1. at least fourteen days' notice of any proposed alteration, in detail, shall have been given to Members
- 14.2. a quorum of two-thirds of Full Members is represented, either by their Official Representative or by a proxy
- 14.3. there is at least a two-thirds majority of Full Members present, represented either by their Official Representative or by a proxy
- 14.4. the proposed amendments would not cause the Organization to cease to exist.

15. DISSOLUTION

- 15.1. The Organisation may be dissolved by resolution passed by two-thirds majority of the total number of Full Members represented, either by their Official Representative or by proxy at a Special General Meeting convened for that purpose.
- 15.2. If upon dissolution of the Organisation there remains after the satisfaction of all its debts and liabilities any funds whatsoever, the same shall be given or transferred to an entity of a kindred nature, as may be determined at a General Meeting on or before such dissolution. Section 30B of the Income Tax Act requires that such chosen entity must be:
 - One approved by the Commissioner in terms of this section;
 - A public benefit organization approved in terms of section 30;
 - An institution, board or body which is exempt from tax under section 10(1)(cA)(i)
- 15.3. If the funds and assets of the Organisation are insufficient to pay all its debts, the order in which its creditors shall be paid shall be the same as that prescribed in any law for the time being in force relating to the distribution of the assets of an insolvent estate.
- 15.4. The liability of Members shall for the purposes of this section be limited to the amount of monies due by them to the Organisation in terms of this Constitution as at date of dissolution.

END

Amendments to this Constitution were approved and accepted by the voting Members of the South African Association of the Flavour & Fragrance Industry on 1st December 2004.

Further modifications to this Constitution were approved by the voting Members of SAAFFI at their AGM on 18th January, 2007.

Further modifications to this Constitution were approved by the voting Members of SAAFFI at their AGM on 30th January, 2014.

At their AGM on 24th January 2019, voting Members of SAAFFI approved the creation of the Introductory Membership level, various minor changes in wording and phrases, and more precise requirements for the expulsion of a Member.

At their virtual AGM on 21st January 2021, voting Members of SAAFFI approved the creation of the Partner Membership level, as well as minor corrections in wording and numbering.
