

Constitution  
of  
THE NATIONAL ASSOCIATION OF BEE CONSULTANTS  
Short form name: "NABC"  
("BEE" is an acronym for Black Economic Empowerment)

1. FOUNDING AND OBJECTIVES

The Founding Members whose names, addresses and signatures appear below have resolved to establish a voluntary national association of BEE consultants and practitioners with the following objectives:

- A. To promote high standards of professionalism, ethics and competence in BEE consulting services;
- B. To represent the BEE consulting sector in its relationships with government departments and agencies, BEE verification agencies, chambers of commerce, the public and all other relevant interested parties and stakeholders;
- C. To promote and arrange contact and exchange of information and knowledge amongst members in order to promote these objectives;
- D. To advance the theory and practice of BEE in all its aspects;
- E. To insist upon a high standard of professional behaviour on the part of members and to preserve and maintain the integrity and status of the BEE consulting sector; to take any steps which may be thought necessary to stop or prevent dishonourable or harmful conduct and practices by members;
- F. To promote general public knowledge and awareness of BEE consulting and practitioner services;
- G. To facilitate the practice and implementation of the objectives of the Act and the Codes as defined below.

2. NAME

The name of the Association shall be "The National Association of BEE Consultants", which shall also be referred to as "NABC".

3. DEFINITIONS

- a) "Act" means the Broad-Based Black Empowerment Act No 53 of 2003;
- b) "BEE" means Black Economic Empowerment and "Broad-Based Black Economic Empowerment", also referred to as "B-BBEE";

- c) "Codes" means the current and future Codes of Good Practice gazetted in terms of the Act, including Transformation Charters and Sector Codes;
- d) "Consultancy services" means advisory, practitioner and related services provided to businesses and private or public bodies that assist clients in making management decisions and implementing BEE programmes or projects in terms of the Codes. "Consultants" shall have a similar meaning;
- e) "Exco" means the Executive Committee elected by the Members of NABC as provided for herein;
- f) "Written notice" means a notice given by way of e-mail, conventional mail or by fax, at the option of the Exco.

#### 4. LEGAL STATUS

NABC shall be a Voluntary Association established not for gain, with corporate personality, perpetual succession and legal personality distinct from its members. No member shall have any right to the assets of NABC and the liability of the members shall be limited to the amount of their unpaid subscription, if any.

#### 5. ACTIVITIES AND AREA OF OPERATION

- a) NABC shall undertake such activities as may be necessary and appropriate to achieve the objectives referred to herein.
- b) NABC shall operate throughout the Republic of South Africa and shall seek to cooperate with other organisations with similar objectives.

#### 6. MEMBERSHIP

6.1 Membership of NABC shall be open to natural and legal persons in three categories:

Category A: Individual consultants and practitioners in their personal capacities who are engaged in providing professional BEE consultancy and/or practitioner services. Voting restrictions relating to individual consultants operating within entities with multiple branches shall apply as follows:

A maximum of one vote per province may be exercised by individual consultants operating within an entity with multiple branches, provided such entity has at least one branch in such province. The term "branches" shall include franchised entities.

Category B: All consultancies, professional firms, non-profit organisations and other business entities who are engaged in providing professional BEE consultancy and/or practitioner services. Every branch of such entity may be admitted as a member.

Category B entities shall not, in their own right, have voting rights.

Category C: Individual persons in their personal capacities who are students wishing to become professional BEE consultants.

Student members shall not have voting rights.

6.2 In addition to 6.1 above, the criteria for membership of NABC shall include –

- a) A commitment to facilitating the implementation of the objectives of the Act and the Codes in a professional manner;
- b) A good general knowledge of BEE, including the Act, the Codes of Good Practice, Transformation Charters, Sector Codes and other relevant legislation and business practices. It is acknowledged that some members will specialise in certain areas of BEE, and in addition to a good general knowledge of BEE, such members should have in depth knowledge in their specialist areas;
- c) A current engagement in providing professional BEE consulting services pertaining to at least one of the seven elements of the BEE scorecard. A consultancy or entity that provides services other than BEE consulting services may become a member, provided it has a specialist division or staff who are trained and are competent in providing BEE consulting services;
- d) No record of any formal blacklisting in terms of the Act and the Codes;
- e) Compliance with the ethical standards prescribed by this Constitution, any Code of Conduct that may be adopted in terms of this Constitution and such standards as are generally recognised in the BEE Consulting Industry.

6.3 Applicants may apply for membership of NABC by completing and submitting an application form to the Secretary. The Exco shall consider applications for membership at its meetings and decide whether to admit new applicants with reference to the criteria for membership. Founding members shall be accepted automatically as members, but shall be required to complete application forms for information purposes.

6.4 The Secretary shall advise the applicant of the Exco's decision as soon as possible. If the applicant is admitted, the Secretary must enrol the applicant as a member. If an application is declined, the Secretary must advise the applicant and give written reasons.

6.5 Membership may be terminated by:

- a) Written notice of termination given to the Secretary; or
- b) In the case of Category B membership, the insolvency, dissolution or closure of the member's legal entity; or
- c) A resolution by the Exco to terminate a member's membership for good cause which could include -
  - i. Professional or ethical misconduct; or
  - ii. Proven inability to perform professional BEE services as advertised or promised by the member; or
  - iii. Failure to comply with any of the criteria for membership of NABC; or
  - iv. Blacklisting by the Department of Trade and Industry; or
  - v. Any misrepresentation or any other reason recognised by law or by this constitution.

6.6 The Member concerned, must have a reasonable opportunity to hear or see the case against it and to state its own case in response to the allegations before a decision is made. The Member concerned shall have the right to appeal the decision by the Exco, in which case a General Meeting of Members shall be called to consider the appeal. The decision by the General Meeting of Members shall be final. The Exco shall have the right to conduct the process by way of written documentation alone or by any other process it may decide.

## 7. CONFLICTS OF INTEREST

7.1 In performing their services, Members shall at all times act:

- a) as independent service providers;
- b) in the interest of their clients;
- c) within the law and the spirit of the Act and the Codes;

7.2 Members who also operate as or within verification agencies shall ensure that no conflict of interest is created between their activities as verification agencies and any consulting services they may directly or indirectly also provide. Any interpretation of this requirement shall be by reference to the ABVA (Association of BEE Verification Agencies) Code of Conduct.

## 8. POWERS OF NABC

NABC shall have such powers as are reasonably required to enable it to achieve its objectives. All powers not specifically assigned to another governing entity, shall be exercised by a general meeting of members.

## 9. STRUCTURE AND MANAGEMENT OF NABC

9.1 NABC shall be governed and managed by the following structures:-

- a) A Chairperson, elected at an AGM to hold office for one year.
- b) A Vice Chairperson elected at an AGM to hold office for one year;
- c) An Executive Committee ("Exco") consisting of a minimum of 4 members, elected at an AGM to hold office for one year. The Chairperson and Vice Chairperson shall, ex officio, be members of the Executive Committee and shall be included as part of the minimum of 4 members.
- d) A Secretary, appointed by the Exco, to manage the administration and finances of NABC;
- e) The members present at an AGM shall vote on the basis of a simple majority except as otherwise provided herein.
- f) The Exco may vote to fill any vacancy in any of the governing positions per paragraphs 9.1 a) to e) above. Any such appointments shall be effective until the next Annual General Meeting, while any Special General Meeting may vary any such appointments.
- g) Groups of members of the NABC in any region of the country may organise themselves and, after obtaining permission of the Exco, may operate under their chosen name, preceded by "NABC". Such regional groups will not have the power to bind the NABC and will be subject to this constitution. Regional groups are required to ensure that they do not create the impression that they represent the NABC as a national body. Any permission granted by the Exco in this regard may be subject to such conditions as the Exco may decide and the

permission may be revoked by the Exco. All minutes of meetings of regional groups shall be copied to the national secretary of the NABC.

9.2 The general management and governance of NABC shall vest in the Exco whose powers and duties shall include:

- a) To arrange meetings of members;
- b) To hold an annual general meeting and special general meetings as required;
- c) To control income, expenditure and assets;
- d) To arrange workshops, seminars, courses, training sessions and related events, as well as dissemination of information via the internet and via e-mail;
- e) To request members to fulfil specific duties;
- f) To replace the Chairperson, or Vice Chairperson in the event of the position being vacated;
- g) To replace any member who may cease to be a member of the Exco;
- h) To arrange its own internal affairs such as voting, individual division of duties etc;
- i) To admit new Members and decide on the termination and/or the process for termination of existing memberships for good cause, as determined by this Constitution;
- j) To perform any other activity which it believes will promote the objectives of NABC and the proper implementation of the Constitution.

9.3 An Exco member, who is absent without notification from two (2) consecutive scheduled meetings, shall be deemed to have resigned from the Exco.

9.4 Only paid-up Members of NABC in good standing may be elected or appointed as members of the Exco.

9.5 The Secretary shall be part of, and report to Exco.

## 10. MEETINGS OF MEMBERS OF NABC

10.1 Written notices of meetings may be sent to members by e-mail or by conventional mail, or by fax, at the option of the Exco. This shall apply to Exco meetings, all general meetings and any other meetings of the NABC.

10.2 Meetings may be held in electronic format, at the option of the Exco. In such event:

10.2.1 The members entitled to attend and vote at the particular meeting may be sent notices, agenda's and any other documents, by way of e-mail content and/or attachments;

10.2.2 Members may be required to submit their comments, proposals and votes by e-mail to the person/s designated for this purpose by the Exco;

- 10.2.3 Attendance and quorums for such meetings shall be counted by way of the number of members responding within a set number of days, which, unless specified differently elsewhere in this constitution, shall not be less than 7 calendar days.
- 10.2.4 The Exco shall decide how members taking part in an electronic meeting shall be identified and such identification may be by way of their registered e-mail addresses or by way of passwords.
- 10.2.5 The secretary of the electronic meeting shall circulate the responses from all members in attendance, to all members, whether they have notified their 'attendance' or not.
- 10.2.6 The meeting agenda shall specify the deadlines for comments and proposals as well as for voting.
- 10.2.7 As an alternative to e-mail the Exco may decide to arrange an electronic meeting by way of publishing the agenda, comments, proposals, voting and minutes on a real-time, interactive website. In such event, the relevant members shall be notified individually of the procedure by e-mail or other written communication. Members shall be notified individually when minutes of such meetings have been compiled and published.
- 10.3 At an Exco meeting, a minimum of one third of its members, with a minimum of two members, shall constitute a quorum.
- 10.4 At any general meeting of members, a minimum of 20% of Members shall constitute a quorum.
- 10.5 In the absence of a quorum, the meeting shall be adjourned once to a date not less than 14 days later and not more than 21 days later. If no quorum is obtained at the next date of the meeting, the members then present shall proceed to constitute a quorum and shall proceed to transact the business on the agenda. In the event of an electronic meeting the secretary shall notify members of the adjourned meeting within 7 days of such adjournment.
- 10.6 At least fourteen (14) days notice of the holding of any general meeting of NABC shall be given. In the event of personal meetings the notice shall specify the place, the day and hour of the meeting. In the event of electronic meetings the notice shall specify the details of the electronic procedures. In either event, the notice shall specify the agenda items and in the case of special business, the nature of such business.
- 10.7 An Annual General Meeting shall be held as soon as possible, but no later than 6 months after the close of NABC's financial year, at a date and place, or as an electronic meeting, to be determined by the Exco.
- 10.8 Every member of NABC who is not in arrears in payment of an annual subscription or any contribution or charge payable to NABC shall be entitled to be present in person or by proxy at any General Meeting. Each such member shall have one (1) vote.
- 10.9 Every item or motion requiring a decision at a General Meeting shall be decided by a show of hands unless a poll is demanded by a majority of members present or by the Chairperson. In the event of an electronic meeting a poll shall be conducted on every item on the agenda.
- 10.10 In the event of a voting deadlock, the Chairperson shall have a deciding vote.
- 10.11 The business of the annual general meeting of NABC shall include:

- a) receiving the annual report of NABC's affairs and the duly audited financial accounts of NABC;
- b) to elect the Chairperson and Vice Chairperson;
- c) to determine the number of persons to serve on the Exco;
- d) to elect Exco members;
- e) to appoint an auditor;
- f) To determine membership fees, and
- g) To deal with any other matters which the Exco may deem expedient.

11. The Exco shall maintain records of:

- a) all appointments of members of the Exco and officers of NABC.
- b) the names of elected and replaced Exco members; and
- c) all resolutions and proceedings of meetings of the Exco, and of general meetings of members of NABC.

## 12. FINANCIAL MATTERS

12.1 The financial year of NABC shall be from 1 March to 28 February.

12.2 Proper books of account of NABC's affairs shall be kept by the Exco. The accounts shall be examined at least once every year and the correctness thereof shall be ascertained by NABC's auditors. The appointment of auditors and their remuneration shall be fixed by the Annual General Meeting.

12.3 The Exco shall oversee the proper management of NABC's financial affairs.

## 13. AMENDMENTS

13.1 This constitution may be amended by a resolution passed by not less than two-thirds of members of NABC present in person or by proxy at an Annual General Meeting or a Special General Meeting called for such purpose by notice specifying the amendment proposed to be effected or the resolution to be taken. An electronic meeting may be called by the Exco for this purpose.

13.2 Fourteen (14) days written notice shall be given of such meeting.

## 14. DISSOLUTION

14.1 NABC may be dissolved, wound-up or liquidated by a resolution passed by not less than two-thirds of the members of NABC in a Special General Meeting called for the purpose by notice specifying the resolution proposed to be taken at such meeting.

14.2 Fourteen (14) days written notice shall be given of such meeting.

14.3 If upon winding up or dissolution of NABC there remains, after the satisfaction of its debts and liabilities, any property or assets whatsoever, the same shall not be paid to or distributed among the members of NABC. Any remaining amount or assets shall be given or transferred to such other institution or institutions having objects similar to those of NABC as may be determined by NABC at or before the time of dissolution.

ENDS

FINAL APPROVED



Application for membership  
of  
**THE NATIONAL ASSOCIATION OF BEE CONSULTANTS**  
**(“NABC”)**

I, the undersigned, hereby apply for membership of NABC and I agree to be bound by the constitution of the NABC.

Membership category:

Category A: Individual consultant or practitioner: Yes/No: .....

Category B: Business entity: Yes/No: .....

Category C: Student: Yes/No: .....

Name of applicant/representative (person): .....

Legal and trading name of BEE consultancy or entity: .....

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Address: .....

Telephone (landline): ..... Cell phone: .....

Fax: ..... e-mail: .....

Description of consultancy and type(s) of BEE services being provided. (Please state areas of the BEE Scorecard and other relevant services):

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A list of branches of this entity (if any) is attached: Yes/No: .....

Signature: .....

Date: .....