



CONSTITUTION

Constitution of the Burgersdorp Development Agency

Policies and Constitution

DOCUMENT

Constitution

STATUS

Draft

CONSTITUTION OF THE BURGERSDORP DEVELOPMENT AGENCY

PREAMBLE

We, the founding members of the Burgersdorp Development Agency, recognising that our town faces significant economic and social challenges, hereby establish this organisation to drive sustainable development for the benefit of all who call Burgersdorp home.

We acknowledge that while this initiative was started by African community members, Burgersdorp belongs to all its residents: Africans, Coloureds, and Whites. We commit to genuine inclusivity while ensuring that historically disadvantaged groups lead and benefit from development efforts.

1. NAME, LEGAL STATUS, AND DEFINITIONS

1.1 Name

The organisation shall be called the **Burgersdorp Development Agency** (hereinafter "the BDA" or "the Agency").

1.2 Legal Status

The BDA shall be a Non-Profit Company (NPC) registered in terms of the Companies Act, 2008 (Act No. 71 of 2008), and shall:

- Exist in its own right, separately from its members and directors
- Continue to exist even when membership changes
- Own property and assets
- Enter into contracts
- Sue and be sued in its own name

1.3 Registration

The BDA shall register with the Companies and Intellectual Property Commission (CIPC) as an NPC and may register with other relevant authorities as required by law, including the South African Revenue Service for tax exemption purposes.

1.4 Registered Office

The registered office shall be situated in Burgersdorp, Walter Sisulu Local Municipality, Eastern Cape Province, or such other place as the Board may determine.

1.5 Definitions

In this constitution, unless the context indicates otherwise:

- **"AGM"** means the Annual General Meeting
- **"Board"** means the Board of Directors
- **"Contributor"** means a person or entity making financial contributions to the BDA
- **"Director"** means a member of the Board of Directors
- **"Historically disadvantaged"** means persons or communities who were disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1996, came into operation
- **"Simple majority"** means more than 50% of votes cast
- **"Special resolution"** means a resolution passed by at least 75% of votes cast

2. VISION, MISSION, AND OBJECTIVES

2.1 Vision

A thriving, sustainable, and economically vibrant Burgersdorp that provides opportunities for all residents.

2.2 Mission

To facilitate integrated economic development, attract investment, create employment, and improve quality of life for all residents of Burgersdorp through strategic partnerships, capacity building, and sustainable development initiatives.

2.3 Main Objectives

The BDA shall:

- a) Promote local economic development and employment creation
- b) Support the development of small, medium, and micro enterprises
- c) Facilitate skills development and training
- d) Promote tourism and heritage development
- e) Support agricultural development and rural livelihoods
- f) Mobilise financial and other resources for development
- g) Establish partnerships with government, private sector, and civil society

- h) Advocate for infrastructure development and improved services
- i) Promote social cohesion across all communities
- j) Support youth development and empowerment
- k) Promote women's economic participation and empowerment
- l) Undertake any other activities that advance the economic and social development of Burgersdorp

2.4 Guiding Principles

The BDA shall be guided by:

- **Transparency:** Open and honest in all dealings
- **Accountability:** Answerable to members and the community
- **Inclusivity:** Welcoming participation from all communities
- **Equity:** Prioritising historically disadvantaged groups
- **Sustainability:** Building for long-term impact
- **Collaboration:** Working with existing stakeholders, not against them
- **Integrity:** Acting ethically in all matters

3. POWERS OF THE BDA

3.1 General Powers

To achieve its objectives, the BDA may:

- a) Raise funds through contributions, grants, donations, and lawful fundraising activities
- b) Receive bequests and donations of money or property
- c) Apply for and receive grants from government and other institutions
- d) Enter into contracts and agreements
- e) Acquire, hold, develop, and dispose of property (movable and immovable)
- f) Open and operate bank accounts
- g) Invest surplus funds in accordance with approved policies
- h) Employ staff and engage consultants

- i) Establish subsidiaries, special purpose vehicles, or joint ventures
- j) Enter into partnerships and memoranda of understanding
- k) Charge fees for services rendered
- l) Borrow money, subject to Board approval
- m) Do all things necessary or incidental to achieve its objectives

3.2 Limitations

The BDA shall not:

- Distribute profits or assets to members, directors, or staff except as reasonable compensation for services
- Engage in activities inconsistent with its non-profit status
- Support or oppose any political party

4. MEMBERSHIP

4.1 Categories of Membership

a) Founding Members Individuals present at the founding meeting who committed to the establishment of the BDA.

b) Contributor Members Individuals or entities making regular or once-off financial contributions to the BDA as determined by the Board from time to time.

c) Community Members Residents of Burgersdorp and surrounding areas who register as members and participate in BDA activities.

d) Institutional Members Organisations, government bodies, or entities that formally associate with the BDA.

e) Honorary Members Persons conferred honorary membership by the Board in recognition of exceptional contributions to Burgersdorp's development.

4.2 Admission of Members

The Board shall determine the criteria and procedures for admission of members in each category.

4.3 Rights of Members

Subject to this constitution and any policies adopted by the Board:

- a) All Contributor Members in good standing shall have one vote at general meetings, regardless of contribution amount
- b) Members may stand for election to the Board, subject to eligibility criteria
- c) Members may attend general meetings and participate in discussions
- d) Members may receive reports on BDA activities and finances
- e) Members may submit proposals for consideration by the Board or general meeting

4.4 Responsibilities of Members

Members shall:

- Support the objectives and activities of the BDA
- Adhere to this constitution and policies adopted by the BDA
- Act with integrity in all dealings with the BDA
- Pay any fees or contributions as agreed

4.5 Termination of Membership

Membership terminates:

- Upon written resignation
- Upon death or dissolution (for organisations)
- Upon expulsion by the Board for conduct prejudicial to the BDA, after a fair hearing
- Upon failure to meet membership requirements as determined by the Board

4.6 Register of Members

The BDA shall maintain a register of members, which shall be updated regularly.

5. GOVERNANCE STRUCTURE

5.1 Governance Bodies

The BDA shall be governed by:

- The Annual General Meeting (supreme authority)
- The Board of Directors (governance and oversight)
- Committees established by the Board

- Executive Management (operations)

6. ANNUAL GENERAL MEETING

6.1 Timing and Notice

- a) The AGM shall be held once in each calendar year, within six months of the financial year-end
- b) At least 21 days' written notice shall be given to all members
- c) Notice shall specify the date, time, venue, and agenda

6.2 Powers of the AGM

The AGM shall:

- Receive and consider the annual report and audited financial statements
- Elect directors in accordance with this constitution
- Appoint auditors
- Consider and approve any amendments to this constitution
- Consider any matters properly brought before it
- Provide general direction on major policy matters

6.3 Quorum

The quorum for the AGM shall be 15% of Contributor Members in good standing or 20 such members, whichever is less. If a quorum is not present within 30 minutes, the meeting shall be adjourned and reconvened within 14 days, at which the members present shall constitute a quorum.

6.4 Voting

- a) Each Contributor Member in good standing shall have one vote
- b) Decisions shall be by simple majority unless otherwise specified
- c) The Chairperson shall have a casting vote in the event of a tie
- d) Voting may be by show of hands or secret ballot as determined by the Chairperson or upon request of 10% of members present

6.5 Special General Meetings

Special General Meetings may be convened:

- By resolution of the Board
- Upon written request of at least 20% of Contributor Members

Notice and quorum requirements shall be the same as for the AGM.

7. BOARD OF DIRECTORS

7.1 Composition

a) The Board shall consist of 11 directors

b) The composition of the Board shall reflect the BDA's commitment to:

- African community leadership (majority of directors)
- Representation of all racial communities in Burgersdorp
- Women's participation (minimum 40% of directors, being at least 5 of the 11 directors)
- Youth representation
- Township community representation
- A balance of diaspora and local residents

c) The Board may include ex-officio members (non-voting) representing the municipality, traditional leadership, education sector, or other key stakeholders. These ex-officio members shall not count toward the 11 directors for purposes of voting or quorum

7.2 Eligibility

To be eligible for election as a director, a person must:

- Be a member of the BDA in good standing
- Be at least 18 years of age
- Not be an unrehabilitated insolvent
- Not have been convicted of an offence involving dishonesty
- Not be disqualified from serving as a director under any law

7.3 Election and Term of Office

a) Directors shall be elected by the AGM from nominations received

b) Directors shall serve for a term of three years

c) Directors may serve a maximum of two consecutive terms, after which they must stand down for at least one year before being eligible for re-election

d) Elections shall be staggered to ensure continuity, with approximately one-third of directors standing for election each year

e) The Board may co-opt up to one additional director between AGMs to fill a vacancy or address a critical skills gap, subject to ratification at the next AGM. A co-opted director shall not cause the Board to exceed 11 directors

7.4 Vacation of Office

A director vacates office if they:

- Resign by written notice
- Miss three consecutive Board meetings without apology or leave
- Become disqualified under clause 7.2
- Are removed by special resolution of the AGM
- Die

7.5 Powers and Duties of the Board

The Board shall:

- Govern the affairs of the BDA in accordance with this constitution
- Set strategic direction and approve plans and budgets
- Oversee financial management and ensure accountability
- Appoint, supervise, and if necessary dismiss the Executive Director
- Approve major contracts and commitments
- Establish policies for the operation of the BDA
- Establish committees as necessary
- Ensure compliance with legal and regulatory requirements
- Report to the AGM and members
- Exercise all powers of the BDA not reserved to the AGM

7.6 Meetings of the Board

a) The Board shall meet at least four times per year

b) The Chairperson or any three directors may convene a meeting

c) At least seven days' notice shall be given, unless all directors agree to shorter notice

d) Quorum shall be 6 directors (being a majority of the 11-member Board)

- e) Decisions shall be by simple majority; the Chairperson has a casting vote
- f) Meetings may be held by electronic means
- g) A written resolution signed by all directors shall be as valid as a resolution passed at a meeting

7.7 Office Bearers

The Board shall elect from among its members:

- Chairperson
- Deputy Chairperson
- Treasurer
- Secretary

Office bearers shall serve for the duration of their term as directors or until replaced by the Board.

8. COMMITTEES

8.1 Establishment of Committees

The Board may establish standing or ad hoc committees to assist it in carrying out its functions.

8.2 Composition and Terms of Reference

For each committee, the Board shall determine:

- The composition, including whether non-directors may serve
- The chairperson
- The terms of reference and delegated authority
- Reporting requirements

8.3 Standing Committees

The Board shall establish at least:

- A Finance Committee (to oversee financial management)
- An Investment or Projects Committee (to evaluate and monitor initiatives)

8.4 Committee Authority

Committees act in an advisory capacity unless specifically delegated decision-making authority by the Board. All committee decisions with material impact must be ratified by the Board.

9. EXECUTIVE MANAGEMENT

9.1 Executive Director

- a) The Board shall appoint an Executive Director to manage the day-to-day operations of the BDA
- b) The Executive Director shall report to the Board and implement its decisions
- c) The terms of appointment, remuneration, and performance standards shall be determined by the Board
- d) The Executive Director shall attend Board meetings but shall not be a voting member of the Board

9.2 Staff

- a) The Executive Director may, within approved budgets and policies, appoint such staff as necessary
- b) Employment shall be on terms approved by the Board
- c) The BDA shall be an equal opportunity employer and shall prioritise employment of local residents, historically disadvantaged persons, and women

9.3 Advisory Bodies

The Board may establish advisory bodies comprising experts, stakeholders, or community representatives to provide guidance on specific matters. Advisory bodies shall have no decision-making authority.

10. SUBSIDIARIES AND SPECIAL PURPOSE VEHICLES

10.1 Power to Establish

The Board may establish or participate in subsidiaries, special purpose vehicles, joint ventures, or other entities to advance the BDA's objectives, particularly for:

- Major development projects
- Commercial ventures that generate income for the BDA
- Partnerships requiring separate legal structures

10.2 Governance Requirements

Any such entity shall:

- Have clear governance arrangements approved by the Board
- Provide for BDA majority control or appropriate safeguards
- Report regularly to the Board
- Comply with all applicable laws
- Have objectives consistent with the BDA's mission

10.3 Protection of BDA Assets

The Board shall ensure appropriate separation of liabilities to protect the BDA's core assets from risks associated with subsidiary activities.

11. FINANCIAL MANAGEMENT

11.1 Financial Year

The financial year shall run from 1 April to 31 March, or such other period as the Board may determine.

11.2 Sources of Funds

The BDA may receive funds from:

- Member contributions
- Grants from government and other institutions
- Donations and bequests
- Fundraising activities
- Fees for services
- Investment income
- Income from subsidiaries and projects
- Any other lawful sources

11.3 Use of Funds

All funds shall be used solely to advance the objectives of the BDA as set out in this constitution. No portion of the funds shall be paid to any member, director, or employee except as reasonable remuneration for services rendered.

11.4 Banking

- a) Funds shall be deposited in accounts held in the name of the BDA
- b) The Board shall determine signatories and authorisation levels
- c) Payments above thresholds determined by the Board shall require multiple signatories

11.5 Financial Controls

The Board shall ensure:

- Proper accounting records are maintained
- Appropriate internal controls are in place
- Separation of duties in financial processes
- Regular financial reporting to the Board
- Compliance with applicable financial regulations

11.6 Budgeting

The Board shall approve an annual budget before the start of each financial year. Expenditure shall be in accordance with the approved budget unless otherwise authorised by the Board.

11.7 Auditing

- a) The financial statements shall be audited annually by an independent auditor appointed by the AGM
- b) Audited financial statements shall be presented to the AGM
- c) Financial statements shall be made available to members and may be published

12. ACCOUNTABILITY AND TRANSPARENCY

12.1 Reporting

The BDA shall:

- Prepare an annual report on activities and achievements
- Present audited financial statements to the AGM
- Report to members on the use of funds
- Provide information to regulatory authorities as required
- Make key documents available to members on request

12.2 Transparency Principles

The BDA commits to:

- Open and honest communication with members and stakeholders
- Publication of annual reports and audited financial statements
- Clear disclosure of any conflicts of interest
- Accessible complaints and feedback mechanisms

12.3 Conflict of Interest

a) Directors, committee members, and employees shall disclose any personal or financial interest in matters before the BDA

b) Persons with conflicts shall recuse themselves from related discussions and decisions

c) The Board shall maintain a register of interests, updated annually

d) Related-party transactions shall be disclosed and conducted at arm's length

12.4 Complaints and Grievances

The Board shall establish procedures for:

- Receiving and addressing complaints
- Protecting persons who report wrongdoing in good faith
- Investigating allegations of misconduct

13. EQUITY AND INCLUSION

13.1 Commitment to Equity

The BDA is committed to ensuring that historically disadvantaged groups, who have been most affected by economic exclusion, are prioritised in leadership and as beneficiaries of BDA activities.

13.2 African Community Leadership

In recognition of the historical context and the initiators of the BDA, the African community shall maintain a leadership role in the governance of the BDA, while genuinely including all communities.

13.3 Women's Participation

The BDA shall ensure meaningful participation of women at all levels, including a minimum of 40% representation on the Board and in leadership positions.

13.4 Youth Inclusion

The BDA shall actively promote the participation of young people in governance and as beneficiaries of programmes.

13.5 All Communities

While prioritising historically disadvantaged groups, the BDA shall be genuinely inclusive of all racial communities in Burgersdorp, recognising that sustainable development requires collaboration across all sectors of society.

13.6 Non-Discrimination

The BDA shall not unfairly discriminate against any person on grounds of race, gender, religion, disability, sexual orientation, or any other arbitrary ground.

14. PARTICIPATION OF NON-CITIZENS

14.1 General Principle

The BDA welcomes the participation of all persons committed to Burgersdorp's development, including foreign nationals living and working in the community.

14.2 Permitted Participation

Non-citizens may:

- Contribute financially to the BDA
- Participate in BDA programmes and events
- Serve on advisory bodies
- Partner with the BDA on specific initiatives
- Invest in subsidiaries or special purpose vehicles established by the BDA

14.3 Limitations

Non-citizens may not:

- Serve as directors on the Board
- Vote at general meetings
- Hold executive management positions

14.4 Rationale

These limitations exist to ensure that South African citizens, particularly those historically disadvantaged, maintain leadership over the development of their community, while still welcoming the contributions of non-citizens.

15. DISPUTE RESOLUTION

15.1 Internal Disputes

Disputes between members, or between members and the BDA, shall be resolved through: a) Direct engagement between the parties b) Mediation facilitated by the Board or a designated mediator c) A determination by the Board, which shall be final

15.2 External Disputes

Disputes with third parties shall be handled through: a) Good faith negotiation b) Mediation c) Arbitration, if agreed by the parties d) Legal proceedings as a last resort

15.3 Costs

Each party shall bear its own costs unless otherwise agreed or ordered.

16. AMENDMENTS TO THE CONSTITUTION

16.1 Procedure

This constitution may be amended by: a) A resolution passed by at least two-thirds of Contributor Members present and voting at an AGM or Special General Meeting

b) Written notice of proposed amendments must be circulated to members at least 21 days before the meeting

16.2 Restrictions

No amendment shall be made that: a) Alters the non-profit nature of the BDA

b) Permits the distribution of assets or profits to members

c) Is inconsistent with the Companies Act or any other applicable law

d) Removes the commitment to African community leadership

e) Reduces women's minimum representation below 40%

f) Removes the commitment to prioritising historically disadvantaged groups

16.3 Registration

Amendments shall be filed with CIPC within the prescribed time periods.

17. DISSOLUTION

17.1 Decision to Dissolve

The BDA may be dissolved by: a) A special resolution (75% majority) passed at a Special General Meeting called for that purpose

b) At least 30 days' written notice must be given to members

17.2 Winding Up

Upon dissolution: a) All debts and liabilities shall be settled

b) Any remaining assets shall NOT be distributed to members, directors, or employees

c) Remaining assets shall be transferred to one or more organisations:

- With similar objectives
- That are approved as public benefit organisations under the Income Tax Act, or exempt from tax under Section 10 of that Act
- Determined by the Special General Meeting

d) If no suitable organisation is identified, assets shall be transferred to an organ of state for application to similar purposes

17.3 Notification

The dissolution shall be notified to CIPC and any other relevant authorities.

18. GENERAL PROVISIONS

18.1 Indemnity

The BDA shall indemnify directors, officers, and employees against liability incurred in good faith in the performance of their duties, except for wilful misconduct, gross negligence, or breach of fiduciary duty.

18.2 Insurance

The Board may take out appropriate insurance to cover the BDA, its directors, officers, and employees.

18.3 Official Languages

The official languages of the BDA shall be English, Afrikaans, Sesotho, and isiXhosa. Documents shall be prepared in English and may be translated as necessary.

18.4 Notices

Notices may be delivered personally, by post, by email, or by other electronic means to addresses provided by members. A notice sent by email shall be deemed received on the day after sending.

18.5 Interpretation

In interpreting this constitution: a) Headings are for convenience and do not affect interpretation

b) Words in the singular include the plural and vice versa

c) Any reference to legislation includes amendments thereto

d) If any provision is found to be invalid or unenforceable, the remaining provisions shall remain in effect

19. ADOPTION OF CONSTITUTION

This constitution was adopted at the Founding Meeting held in Burgersdorp on the _____ day of _____ 20____.

SIGNATURES OF FOUNDING DIRECTORS

Name	Signature	ID Number	Date
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____

	Name	Signature	ID Number	Date
7.	_____	_____	_____	_____
8.	_____	_____	_____	_____
9.	_____	_____	_____	_____

WITNESS:

Name: _____

Signature: _____

Date: _____

"The best time to plant a tree was 20 years ago. The second-best time is now."