



CONSTITUTION

OF

THE SOUTH AFRICA – MOZAMBIQUE CHAMBER OF COMMERCE

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1. BACKGROUND

The South Africa-Mozambique Chamber of Commerce (SAMOZACC) was established as a result of an overwhelming response and interest shown by businesspeople who expressed a need to engage in business opportunities in Mozambique.

SAMOZACC is an independent, non-political, non-profit, subscription-based organisation, operating in its capacity as a Chamber of Commerce to promote, provide information and offer advice about South Africa and Mozambique, creating opportunities and facilitating partnerships where possible.

2. NAME

The name of the Chamber is:

The South Africa – Mozambique Chamber of Commerce

(hereafter referred to as the "Chamber")

3. OBJECT

3.1 The Chamber is a public benefit, non-profit organisation established in terms of Section 21 of the Companies Act No 61 of 1973 for the following sole object:

The main objective of the Chamber is to operate as a vehicle to offer advice, provide information about South Africa/Mozambique and facilitate partnerships where possible through organising events and networking sessions.

To speak for Mozambique-related business, honestly, fearlessly, and with authority and to help Members Compete and Expand their business with Mozambique with minimum risk and cost.

4. LEGAL STATUS

The Chamber is a body corporate with its own legal identity which is separate from its individual members. The Chamber shall continue to exist even if the members change. The Chamber may own property, enter into contracts, and sue or be sued in its own name.

5. NON-PROFIT DISTRIBUTING CHARACTER

5.1 The income and property of the Chamber shall be used solely for the promotion of its stated objectives. No portion of the income or property of the Chamber shall be paid or distributed directly or indirectly to any person (otherwise than in the ordinary course of undertaking any public benefit activity) or to any member of the Chamber or Management Committee, except as:

5.1.1 reasonable compensation for services actually rendered to the Chamber;

5.1.2 reimbursement of actual costs or expenses reasonably incurred on behalf of the Chamber.

5.2 Upon the dissolution of the Chamber, after all debts and commitments have been paid, any remaining assets shall not be paid to or distributed amongst members, but shall be transferred by donation to some other non-profit organisation which the Management Committee considers appropriate, and failing such determination, by the High Court in accordance with Section 21(2)(b) and which:

5.2.1 has objectives the same or similar to the objectives of the Chamber; and

5.2.2 should the Chamber be exempt from the payment of any taxes and duties, is also exempt from the same taxes and duties.

5.3 The Chamber intends to apply to the Receiver of Revenue for exemption from appropriate taxes and duties. In compliance with the anticipated requirements of the Receiver in this regard, the provisions set out in the attached Schedule A shall bind the Chamber and qualify this Constitution.

6. POWERS

The Chamber, acting through its Management Committee, or at General Meeting, shall have all the powers necessary for it to carry out its stated objectives effectively. Such powers shall include, but not be limited to, the General Investment and Administrative Powers set out in the attached Schedule B. In particular, the Chamber shall have the power to conduct disciplinary hearings and enquiries into the conduct of members where the simple majority of the Management Committee or the simple majority of the membership in General Meeting deem this to be necessary as a result of the production of prima facie evidence of unethical or corrupt business practices by any member in contravention of this constitution.

7. MEMBERS

7.1 The initial membership shall be those individuals and companies whose names and signatures appear on the attached Schedule C.

7.2 The Management Committee may admit further members from time to time:

7.2.1 Subject to due compliance with any conditions of membership (including payment of any membership fees) which the Management Committee may stipulate from time to time; and

7.2.2 In accordance with the following criteria:

Members shall have a legally registered business in the Republic of South Africa or Mozambique.

Members shall sign and agree to be bound by the Code of Conduct attached as schedule D.

7.3 The Management Committee may suspend or terminate the membership of any member provided that:

7.3.1 At least (14) fourteen days prior written notice is given to all members of the Management Committee of the intention to terminate a membership; and

7.3.2 At least (14) fourteen days prior written notice is given to the member concerned. The notice shall invite the member to make written or verbal representations to the meeting as the member may consider appropriate.

7.4 The decision of the Management Committee to admit an applicant to membership, or to suspend or terminate a membership shall lapse unless confirmed by a resolution of two thirds of the members of the Chamber present at the next General Meeting.

7.5 The Management Committee shall be required to give written reasons for their decisions with respect to membership.

8. STRUCTURE OF THE CHAMBER

8.1 The Management Committee

8.1.1 Powers

8.1.1.1 The affairs of the Chamber shall be controlled and managed by the Management Committee. Subject to the terms of this Constitution and to the resolutions of members in General Meeting, the Management Committee may exercise all the powers of the Chamber.

The Management Committee shall be advised by an Advisory Council comprised of Patrons and members invited to serve on the Advisory Council by the Management Committee, from time to time.

8.1.1.2 In General Meeting, the Chamber may review, approve or amend any decision taken by the Management Committee but no such resolution of the Chamber shall invalidate any prior action taken by the Management Committee in good faith and in accordance with the provisions of this Constitution.

8.1.2 Election

8.1.2.1 The members of the first Management Committee shall be elected at the General Meeting at which this Constitution is adopted, and shall hold office until the first Annual General Meeting after such appointment, when all of them shall resign. At the first Annual General Meeting, a new Management Committee shall be elected. Thereafter, a new Management Committee shall be elected at each succeeding Annual General Meeting.

8.1.2.2 Resigning Management Committee members shall be eligible for re-election or co-option.

8.1.2.3 Management Committee members shall be members of the Chamber.

8.1.3 Composition

8.1.3.1. The Management Committee shall comprise at least seven but not more than eleven members. The membership of the Management Committee shall comprise:

8.1.3.1.1 a President / Chairperson;

8.1.3.1.2 a Deputy President / Vice-Chairperson;

8.1.3.1.3 a Treasurer;

8.1.3.1.4 a Secretary, who shall serve as the Chief Executive Officer of the Chamber and the Management Committee;

8.1.3.1.5 at least three (3) other non-executive members.

8.1.3.3.6 The Management Committee may co-opt up to three additional non-voting members as it may consider appropriate from time to time. The co-opted members shall serve for such period as the Management Committee considers appropriate.

8.1.4 Management Committee Member Vacating Office

8.1.4.1 The office of a Management Committee member shall be vacated if a member:

8.1.4.1.1 resigns; or

8.1.4.1.2 becomes unfit and/or incapable of acting as such; or

8.1.4.1.3 would be disqualified, in terms of the Companies Act or equivalent legislation in force from time to time, from acting as a Director of a Company; or

8.1.4.1.4 is removed by the Management Committee, by resolution adopted by at least three-quarters (3/4) of its members in office from time to time, being not less than the required minimum of seven. The Management Committee shall not be obliged to furnish reasons for its decision/s regarding removal except to the member removed and to the members of the Chamber in General Meeting.

8.1.4.2 Should a position on the Management Committee fall vacant, the Management Committee, by resolution adopted at least two-thirds (2/3) of its members, may (and if the vacancy reduces the number of members to less than seven [7], shall) co-opt a member/s to fill the vacancy/ies. The office of any person so co-opted as member of the Management Committee shall lapse unless confirmed by resolution of members at the next General Meeting.

8.1.5 Procedure at Management Committee Meetings

8.1.5.1 The Management Committee shall conduct its meetings and regulate its proceedings as it finds convenient, provided that:

8.1.5.1.1 The President / Chairperson, or in his or her absence, the Deputy President / Vice-Chairperson, shall chair all meetings of the Management Committee which he or she attends. In the absence of the President / Chairperson and the Deputy President / Vice-Chairperson, the remaining members of the Management Committee shall elect a chairperson from those attending.

8.1.5.1.2 The President / Chairperson shall convene a meeting of the Management Committee, quarterly and at the written request of any two (2) members of the Management Committee and may convene such a meeting at any other time.

8.1.5.1.3 The quorum necessary for the transaction of any business by the Management Committee shall be two-thirds (2/3) of the Management Committee members serving at any given time.

8.1.5.1.4 At meetings of the Management Committee each member shall have one (1) vote.

8.1.5.1.5 Questions arising shall be decided by a majority of votes. Should there be an equality of votes the Chairperson shall have a casting or second vote.

8.1.5.1.6 Proper minutes shall be kept of the proceedings of the Management Committee, and a record of the persons present at each meeting. The minutes shall be signed by the member who chairs the meeting, and shall be available at all times for inspection or copying by any member of the Management Committee, and on two (2) days' notice to the Secretary or his or her deputy, by any member of the Chamber.

8.1.5.1.7 A round robben resolution signed by all members of the Management Committee shall be as valid as if passed at a duly convened meeting of the Management Committee.

8.1.6 The Management Committee may delegate any of its powers to any of its members, or to a special purpose committee. The member, committee, employee or agent to whom such delegation is made shall conform to this constitution and any regulations and procedures that may be stipulated by the Management Committee from time to time.

8.1.7 The Management Committee may appoint other officers and employees as it may consider necessary from time to time upon such terms and conditions as it may consider appropriate.

8.2 General Meetings

8.2.1 Annual General Meeting

8.2.1.1 An Annual General Meeting of the Chamber shall be held within a period of fifteen (15) months of the adoption of this Constitution. Subsequent Annual General Meetings shall be held within three (3) months of the end of each financial year.

8.2.1.2 Annual General Meetings shall be convened by the Chairperson on not less than twenty-one (21) days prior written notice to all members entitled to attend the meeting. This notice shall state the date, time and place of the meeting and, in broad terms, the business to be transacted at the meeting.

8.2.1.3 The business of an Annual General Meeting shall include:

8.2.1.3.1 the presentation and adoption of the Annual Report of the President / Chairperson;

8.2.1.3.2 the consideration of the Annual Financial Statements;

8.2.1.3.3 the election of members to serve on the Management Committee for the following year;

8.2.1.3.4 the appointment of Auditors;

8.2.1.3.5 other matters as may be considered appropriate.

8.2.2 Other General Meetings

8.2.2.1 Other General Meetings of the Chamber shall be convened at any time by the President / Chairperson or at the written request of:

8.2.2.1.1 the Management Committee;

8.2.2.1.2 the lesser of one quarter (1/4) or twenty of the members of the Chamber;

8.2.2.2 Any General Meeting other than the Annual General Meeting shall be convened on not less than fourteen (14) days written notice to all members. The notice shall state the date, time and place of the meeting and in broad terms the business to be transacted at the meeting: provided that: should the President / Chairperson, having been requested to give such notice, fail to give it within seven (7) days of the request, the persons requesting the meeting shall be entitled themselves to give notice of and to convene the meeting.

8.2.3 Quorum

8.2.3.1 A quorum constituting a General Meeting of the Chamber shall be the lesser of:

8.2.3.1.1 Twenty members; or

8.2.3.1.2 one quarter (1/4) of the members;

8.2.3.2 Should any General Meeting have been properly convened but no quorum be present, the meeting shall stand adjourned to another date, which shall be within

seven (7) days thereafter. The notice reflecting such adjournment shall be given to the persons

and in the manner provided for in this Constitution. At such reconvened General Meeting, the members then present or represented shall be deemed to constitute a quorum.

8.2.4 Resolutions and Voting

8.2.4.1 At all General Meetings, a resolution put to the vote shall be decided by means of a show of hands or by ballot. A vote by ballot shall be held only if demanded by the President / Chairperson or not less than one third (1/3) of the persons voting in person or by proxy. The result of the vote shall be the resolution of the meeting.

8.2.4.2 Each member present or represented at such meeting shall be entitled to one (1) vote

8.2.4.3 Questions arising shall be decided by a majority of votes. Should there be an equality of votes the President / Chairperson shall have a casting or second vote.

8.2.5 Minutes

Proper minutes shall be kept of the proceedings of all General Meetings, and a record of the persons present at each meeting. The minutes shall be signed by the chairperson of the meeting, and shall be available for inspection or copying by any member on two (2) days notice to the Secretary or his or her deputy.

8.2.6 Powers

Subject to the provisions of Clause 8.1.1.2 above, a duly convened General Meeting of the Chamber, at which a quorum is present, is competent to carry out all the objectives and to exercise all the powers of the Chamber as set out in this Constitution.

8.3 Notices

8.3.1 Notice of all meetings provided for in this Constitution, shall be delivered personally, or sent by prepaid post, to the last address notified by each person concerned to the Chamber, or in any other manner as the Management Committee may decide from time to time.

8.3.2 The accidental omission to address notice/s to any person shall not invalidate the proceedings of any meeting, provided that such omission does not affect more than 5% of the total membership of the Chamber.

8.3.3 If posted, notices shall be deemed to have been received seven (7) days after posting.

9.

FINANCIAL MATTERS

9.1 Bank Account

The Management Committee shall open a bank account in the name of the Chamber with a registered Bank. The Management Committee shall ensure that all monies received by the Chamber are deposited in the abovementioned bank account as soon as possible after receipt.

9.2 Signatures

All cheques, promissory notes and other documents requiring signature on behalf of the Chamber shall be signed by two (2) of the Management Committee members, one of whom shall be the Treasurer, save that where the Treasurer is unavailable the President / Chairman may be substituted.

9.3 Financial Year End

The Chamber's financial year shall be: 1 March to 28 February.

9.4 Financial Records

The Management Committee shall ensure that the Chamber keeps proper records and books of account which fairly reflect the affairs of the Chamber.

9.5 Annual Narrative Report and Financial Statements

9.5.1 The Management Committee shall ensure that the Chamber prepares an annual narrative report describing the Chamber's activities and an Annual Financial Statement for each financial year. The Annual Financial Statements shall conform with generally accepted accounting principles and shall include a statement of income and expenditure and a balance sheet of assets and liabilities.

9.5.2 Within two (2) months after drawing up the Annual Financial Statements, the Management Committee shall ensure that: the Chamber arranges for an accounting officer to certify that the annual financial statements are consistent with the financial records of the Chamber and that its accounting policies are appropriate and have been appropriately applied in the preparation of its financial statements.

9.5.3 A copy of the **audited** Annual Financial Statements and annual narrative report shall be made available to all members as soon as possible after the close of the financial year.

10. AMENDMENTS TO THE CONSTITUTION AND DISSOLUTION

10.1 The terms of this Constitution may be amended, the name of the Chamber may be changed and the Chamber may be dissolved by resolution of sixty six per cent (66%) of the members present at a General Meeting: provided that proper notice of the meeting is given not less than fourteen (14) days prior to the date of the Meeting and such notice states the nature of the resolution to be proposed.

10.2 If the Chamber is dissolved, all debts need to be settled. Should there be any remaining assets, they should not be paid to, or given to, any members of the Chamber. They should be donated in some way to another non-profit organisation that has similar objectives. The organisation's general meeting can decide what organisation this should be.

11. INDEMNITY

11.1 Subject to the provisions of any relevant statute, members of the Management Committee and other office bearers shall be indemnified by the Chamber for all acts done by them in good faith on its behalf. It shall be the duty of the Chamber to pay all costs and expenses which any such person incurs or becomes liable for as a result of any contract entered into, or act done by him or her, in his or her said capacity, in the discharge, in good faith, of his or her duties on behalf of the Chamber.

11.2 Subject to the provisions of any relevant statute, no member of the Management Committee and or other office bearer of the Chamber shall be liable for the acts, receipts,

neglects or defaults of any other member or office bearer, or for any loss, damage or expense suffered by the Chamber, which occurs in the execution of the duties of his or her office, unless it arises as a result of his or her dishonesty, or failure to exercise the degree of care, diligence and skill required by law.

12. DISPUTES

12.1 In the event of a serious disagreement between the members of the Management Committee and/or the Chamber regarding the interpretation of this Constitution then any two (2) Management Committee members or any five (5) members of the Chamber shall be entitled to declare a dispute. Such declaration shall be in writing, state the issue in dispute, and be addressed to the Management Committee.

12.2 The Management Committee shall consider such declaration within two (2) weeks of receiving it. Should the Management Committee not be able to resolve the dispute to the satisfaction of the person(s) declaring it within one month of the Management Committee's receipt of the declaration of such dispute, then the dispute may be referred either to a mediator or arbitrator by either party to the dispute.

12.3 Should the dispute be referred to a mediator, the person(s) declaring the dispute and the Management Committee must agree on a suitable mediator and to the costs of such mediation. A mediator may recommend an appropriate resolution of the dispute.

12.4 In the absence of agreement regarding a mediator or should mediation not resolve the dispute, the dispute shall be referred to arbitration. The arbitrator shall be such suitably qualified person/s as the person(s) declaring the dispute and the Management Committee may mutually agree. Where the parties to the dispute fail to agree to the appointment of an arbitrator within six weeks of the receipt by the Management Committee of the Declaration of the Dispute, then either of them may approach the President of the Arbitration Foundation of South Africa to make such election on behalf of the parties. The decision of the appointed arbitrator shall be final and binding.

12.5 The arbitration shall be held on an informal basis, and the arbitrator shall have the power to determine the procedure and substantive law to be adopted subject to principles of natural justice.

12.6 The arbitrator may base her/his award not only upon the applicable law but also upon the principles of equity and fairness.

12.7 The person(s) declaring the dispute and the Management Committee, beforehand, may agree to share the costs of the arbitration. In the absence of such agreement the arbitrator shall decide which parties shall be liable for the costs.

12.8 The decision of the arbitrator shall be final and binding upon all parties and capable of being made an Order of Court on application by any of them.

SCHEDULE A

REQUIREMENTS OF THE RECEIVER OF REVENUE FOR

EXEMPTION FROM TAXES AND DUTIES

As provided for in Clause 5.3 of this Constitution, the Chamber intends to apply to the Receiver of Revenue for the exemption from appropriate taxes and duties. In compliance with the anticipated requirements of the Receiver in respect of such exemptions, the following provisions shall bind the Chamber:

1.

In the case of a Public Benefit Organisation (PBO) seeking an exemption from income and other related taxes only, in terms of section 10(1)(cN) of the Income Tax Act, as amended:

Carry out all its public benefit activities (or substantially the whole thereof) in the Republic, unless the Minister of Finance ("the Minister"), having regard to the circumstances of the case, directs otherwise.

2.

Only in the case of a PBO which provides funds solely to any income tax exempt PBO seeking a section 10(1)(cN) exemption from income and other related taxes only and section 18A donor deductible status, as described in section 18A(1)(b) of the Income Tax Act, as amended.

During the year of assessment preceding the year of assessment during which the donation is received, distribute or incur the obligation to so distribute at least 75% of the funds received.

3. Carry on its public benefit activities in a non-profit manner.

4. Comply with such conditions, if any, as the Minister may prescribe by way of regulation to ensure that the activities and resources of the organisation are directed in the furtherance of its objects.

5. Submit to the Receiver a copy of and a copy of any amendment to the Constitution, Will or other written instrument under which it has been established.

6. Be required to have at least three persons, who are not connected persons in relation to each other, to accept the fiduciary responsibility of the organisation.

7. In the event of the Chamber investing funds, invest such funds:

7.1 with a financial institution as defined in section 1 of the Financial Institutions (Investment of Funds) Act, 1984 (Act No. 39 of 1984); and/or

7.2 in securities listed on a stock exchange as defined in section 1 of the Stock Exchanges Control Act,

1985 (Act No. 1 of 1985); and/or

7.3 in such other prudent investments in financial instruments and assets as the Receiver may determine after consultation with the Executive Officer of the Financial Services Board and the Director of Non-Profit Organisations; provided that the provisions of this sub-paragraph do not prohibit any such organisation 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.

8. Be prohibited from carrying on any business undertaking or trading activity, otherwise than to the extent that:

8.1 the gross income derived from such business undertaking or trading activity does not exceed the greater of :

8.1.1 fifteen percent (15%) of the gross receipts of such public benefit organisation; or

8.1.2 twenty five thousand Rand (R25 000,00);

8.2 the undertaking or activity is:

8.2.1 integral and directly related to the sole object of such public benefit organisation; and

8.2.2 carried out or conducted on a basis substantially the whole of which is directed towards the recovery of cost, and which would not result in unfair competition in relation to taxable entities;

8.3 the undertaking or activity, if not integral and directly related to the sole object of such public benefit organisation as contemplated in clause 8.2.1, is of an occasional nature and undertaken substantially with assistance on a voluntary basis without compensation; or

8.4 the undertaking or activity is approved by the Minister by notice in the Gazette, having regard to:

8.4.1 the scope and benevolent nature of the undertaking or activity;

8.4.2 the direct connection and interrelationship of the undertaking or activity with the sole purpose of the public benefit organisation;

8.4.3 the profitability of the undertaking or activity; and

8.4.4 the level of economic distortion that may be caused by the tax-exempt status of the public benefit organisation carrying out the undertaking or activity.

9. Be prohibited from accepting any donation which is revocable at the instance of the donor for reasons other than a material failure to conform to the designated purposes and conditions of such donation, including any misrepresentation with regard to the tax deductibility thereof in terms of section 18A; provided that a donor may not impose conditions which could enable such donor or any connected person in relation to such donor to derive some direct or indirect benefit from the application of such donation.

10. Ensure that it is not knowingly a party to, and does not knowingly permit itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is or was the reduction, postponement or avoidance of liability for any tax, duty or levy, which, but for such transaction, operation or scheme, would have been or would have become payable by any person under the Act or any other Act administered by the Commissioner.

11. Not pay any remuneration to any employee, office bearer, member or other person, which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered.

12. Comply with such reporting requirements as may be determined by the Commissioner.

13. Take reasonable steps to ensure that the funds which it may provide to any Chamber of persons as contemplated in section 30(b)(iii) of the Act are utilised for the purpose for which they are provided.

14. Become registered in terms of section 13(5) of the Non-Profit Organisations Act, 1997 (Act No. 71 of 1997), within such period as the Commissioner may determine, and comply with any other requirements imposed in terms of that Act.

15. Ensure that any books of account, records or other documents relating to its affairs are:

15.1 where kept in book form, retained and carefully preserved by any person in control of the organisation, for a period of at least four years after the date of the last entry in any such book; or

15.2 where not kept in book form, are retained and carefully preserved by any person in control of the organisation, for a period of four years after the completion of the transaction, act or operation to which they relate.

SCHEDULE B

GENERAL ADMINISTRATIVE AND INVESTMENT POWERS

1. To employ staff and hire professional and other services.
2. To institute or defend any legal or arbitration proceedings and to settle any claims made by or against the Chamber.
3. To open and operate accounts with registered banks and building societies.
4. To make and vary investments and re-invest the proceeds of such investments on condition that any investments made by the Chamber shall be with Financial Institutions as defined in Schedule A Clause 7 above.
5. To accept donations made to the Chamber and retain them in the form in which they are received, or sell them and re-invest the proceeds.
6. With regard to movable and immovable property and tangible and intangible assets of whatsoever nature:
 - 6.1 to purchase or acquire property and assets;
 - 6.2 to maintain, manage, develop, exchange, lease, sell, or in any way deal with the property and assets of the Chamber;
 - 6.3 to donate and transfer the property and assets of the Chamber to organisations with the same or similar objectives and the same exemptions from taxes and duties to those of the Chamber.
7. To borrow and to use the property or assets of the Chamber as security for borrowing;
8. To guarantee the performance of contracts or obligations of any person on condition that any such person is primarily engaged in activities which further the objectives of the Chamber.
9. To execute any act or deed in any deeds registry, mining titles or other public office.
10. To work in collaboration with other organisations and to amalgamate with any organisation with the same or similar objectives and the same exemptions from taxes and duties to those of the Chamber.
11. To exercise all the management and executive powers that are normally vested in the Board of Directors of a Company.

12. To exercise all the powers and authority of the Chamber not only in the Republic of South Africa but in any other part of the world.

SCHEDULE C

SCHEDULE OF INITIAL MEMBERS

	Name	Address	E-mail address	Signature	Date
1.					
2.					
3.					
4.					
5.					
6.					

SCHEDULE D

CODE OF CONDUCT and STATEMENT of ETHICS

CODE OF CONDUCT

Article 1: Extortion

No one may, directly or indirectly, demand or accept a bribe.

Article 2: Bribery and "Kickbacks"

a.) No enterprise may, directly or indirectly, offer or give a bribe and any demands for such a bribe must be rejected.

b.) Enterprises should not (i) kick back any portion of a contract payment to employees of the other contracting party, or (ii) utilize other techniques, such as subcontracts, purchase orders or consulting agreements, to channel payments to government officials, to employees of the other contracting party, their relatives or business associates.

Article 3: Agents

Enterprises should take measures reasonably within their power to ensure:

a) that any payment made to any agent represents no more than an appropriate remuneration for legitimate services rendered by such agent;

b) that no part of any such payment is passed on by the agent as a bribe or otherwise in contravention of these Rules of Conduct; and

c) that they maintain a record of the names and terms of employment of all agents who are retained by them in connection with transactions with public bodies or State enterprises. This record should be available for inspection by auditors and, upon specific request, by appropriate, duly authorized governmental authorities under conditions of confidentiality.

Article 4: Financial Recording and Auditing

a) All financial transactions must be properly and fairly recorded in appropriate books of account available for inspection by boards of directors, if applicable, or a corresponding body, as well as auditors.

b) There must be no "off the books" or secret accounts, nor may any documents be issued which do not properly and fairly record the transactions to which they relate.

c) Enterprises should take all necessary measures to establish independent systems of auditing in order to bring to light any transactions which contravene the present Rules of Conduct. Appropriate corrective action must then be taken.

Article 5: Responsibilities of Enterprises

The board of directors or other body with ultimate responsibility for the enterprise should:

a) take reasonable steps, including the establishment and maintenance of proper systems of control aimed at preventing any payments being made by or on behalf of the enterprise which contravene these Rules of Conduct;

b) periodically review compliance with these Rules of Conduct and establish

procedures for obtaining appropriate reports for the purposes of such review; and
c) take appropriate action against any director or employee contravening these Rules of Conduct.

Article 6: Political Contributions

Contributions to political parties or committees or to individual politicians may only be made in accordance with the applicable law, and all requirements for public disclosure of such contributions shall be fully complied with. All such contributions must be reported to senior corporate management.

Article 7: Company Codes

These Rules of Conduct being of a general nature, enterprises should, where appropriate, draw up their own codes consistent with the ICC Rules and apply them to the particular circumstances in which their business is carried out. Such codes may usefully include examples and should enjoin employees or agents who find themselves subjected to any form of extortion or bribery immediately to report the same to senior corporate management. Companies should develop clear policies, guidelines, and training programmes for implementing and enforcing the provisions of their codes.