

Constitution of IAB SA (Interactive
Advertising Bureau South Africa)
Registration Number
2011/011625/08
("IAB SA")

Constitution of IAB SA (Interactive Advertising Bureau South Africa)

Registration Number 2011/011625/08 ("IAB SA")

Contents:

1. THE COMPANY 2
2. INTERPRETATION 2
3. PURPOSE 4
4. OBJECTIVES 4
5. STRUCTURE 5
6. IAB SA MEMBERSHIP 6
7. STRUCTURE AND ROLE OF THE BOARD 12
8. DUTIES OF THE BOARD 12
9. POWERS OF THE BOARD 13
10. COMMITTEES AND COUNCILS 13
11. ACCOUNTING 14
12. ACCESS TO IAB SA RECORDS 14
13. INDEMNITY 15
14. DISSOLUTION 15
15. NOTICES 15
16. TRADEMARK USE AND CONDITIONS 16
17. AMENDMENT OF THE CONSTITUTION 17
18. MEMBER INFORMATION 17

1 THE COMPANY

The company is a non profit company with no voting members incorporated in terms of the Companies Act of 2008, as amended. The registered name of the company is Digital Media and Marketing Association (NPC) (Registration number: 2011/011625/08), referred to as Interactive Advertising Bureau SA ("IAB SA").

2 INTERPRETATION

- 2.1. In this Constitution, unless the context clearly indicates a contrary intention: any expression which denotes one gender shall include the other; a natural person shall include a juristic person and other created entities and vice versa; the singular shall include the plural and vice versa; the words and expressions contained below shall bear the meaning assigned to them and related words and expressions shall bear corresponding meanings:
- 2.1.1. "Act" means the Companies Act, No. 71 of 2008, as amended, consolidated or re-enacted from time to time, and includes all Schedules to such Act and the Regulations;
- 2.1.2. "Board" means the board of Directors from time to time of the IAB SA;
- 2.1.3. "Brand" means a business with an established South African digital presence and brand which would, in the ordinary course of its business, be a customer or client of – but is not itself – a Media Agency or a Creative or Development Agency, and is not itself an Online Publisher;
- 2.1.4. "Creative or Development Agency" means an advertising or marketing agency which offers creative or digital development services and which has an established business presence in South Africa;
- 2.1.5. "IAB SA" is the abbreviation for the non-profit Digital Media and Marketing Association company now known as IAB SA;
- 2.1.6. "Digital Marketing" refers to the promoting of companies and brands using one or more forms of digital channels, Digital Media and /or digital data processing devices (the latter of which includes without limitation, computers, tablets and mobile phones);
- 2.1.7. "Digital Media" refers to any and all forms of electronic media on which data is sorted, processed and published in digital (as opposed to analog) form for the purposes of digital marketing and/or advertising;
- 2.1.8. "Director" means a member of the Board of the IAB SA, or an alternative director, and includes any person occupying the position of a director or alternate director, by whatever name designated;
- 2.1.9. "Educator" means a provider of education products and services related to Digital Marketing and/or Digital Media in the South African market, and with an established presence in South Africa;
- 2.1.10. "Electronic Communication" has the meaning set out in section 1 of the Electronic

Communications and Transactions Act;

- 2.1.11. "Electronic Communications and Transactions Act" means the Electronic Communications and Transactions Act, No 25 of 2002 as amended, consolidated or re-enacted from time to time
- 2.1.12. "Marks" includes the name "IAB South Africa", the collective mark pertaining to Members.
- 2.1.13. "Media Agency" shall mean an agency which –
 - 2.1.13.1. operates in the business of either media strategy, planning or buying in South Africa;
 - 2.1.13.2. makes use of and promotes the use of the IAB SA endorsed statistics measurement tool for digital media in South Africa,
- 2.1.14. "Member" means a person or entity which has been admitted to membership of the IAB SA in accordance with the provisions of the Constitution and the MOI and includes the following categories:
 - 2.1.14.1. "General Member" means a person or entity whose revenue is significantly based on Digital Marketing and/or Digital Media, and includes Brands, Creative or Development Agencies, Educators, Media Agencies, Online Publishers and Platforms, and which is entitled to the rights, privileges and benefits associated with general membership as prescribed in clause 6.3.1 below;
 - 2.1.14.2. "Associate Member" means a company that does not qualify as a General Member, but may nevertheless join the IAB SA provided it supports the sale of interactive advertising inventory, and which is entitled to the rights, privileges and benefits associated with associate membership as prescribed in clause 6.3.2 below;
 - 2.1.14.3. "Affiliate Member" means a company that does not qualify as a General Member or an Associate Member and which supports the sale of interactive advertising inventory, but does so at a level that is below the membership revenue thresholds established and prescribed by the Board from time to time, for becoming a General Member or Associate Member, and which is entitled to the rights, privileges and benefits associated with affiliate membership as prescribed in clause 6.3.3 below;
- 2.1.15. "MOI" means the Memorandum of Incorporation of the IAB SA;
- 2.1.16. "Online Publisher" means a natural or juristic person whose primary business includes the commercial distribution of original or aggregated editorial content via digital, interactive media and which must:
 - 2.1.16.1. be largely South African owned and controlled; or
 - 2.1.16.2. have a substantial, dedicated section or version customised for the South African market (e.g. <http://za.yoursite.com>) where all pages are tagged; or
 - 2.1.16.3. have an advertising sales force or sales representation in South Africa; and

- 2.1.16.4. submit monthly advertising revenue statements (if applicable) to the advertising spend measurement body as mandated by the IAB SA from time to time, which statements shall detail the value of advertising placed on the Online Publisher's online channel, calculated at rate card value and broken down by specific advertiser and/or advertising network; and
- 2.1.16.5. embed tags provided by the measurement provider mandated by the IAB SA from time to time and agree that measurement data generated by such tags may be published and distributed by the IAB SA;
- 2.1.17. "Representative" means a senior executive employee of a Member nominated by such Member from its ranks for the purpose of representing the Member in its transactions with the IAB SA.
- 2.2. Where any number of days is prescribed in this Constitution, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday.
- 2.3. In this Constitution, unless the context clearly indicates otherwise, in any instance where there is a conflict between a provision (be it expressed, implied or tacit) of this Constitution and a provision of the MOI, the provision of the MOI shall prevail to the extent of the conflict.
- 2.4. It is recorded that any dispute as to whether a person falls into the definitions of Brand, Creative or Development Agency, Educator, Media Agency, Online Publisher or Platform, or any dispute as to whether a person is a General Member, Associate Member or Affiliate Member, shall be determined by the Board, whose decision shall be final.

3 PURPOSE

- 3.1. The IAB SA is a non-profit, non-governmental, membership-based trade organisation comprised of media and marketing companies, brands, and technology firms responsible for enabling excellence in digital marketing focusing on identifying and targeting audiences, delivering and optimising campaigns to these audiences and the innovation and selling of such activities.
- 3.2. The purpose of the IAB SA is to:
 - 3.2.1. empower the media and marketing industries to thrive in the digital economy;
 - 3.2.2. build trust in the digital marketing medium as a viable and lucrative platform for South Africa advertisers to reach and engage with their digital target audiences;
 - 3.2.3. increase the share of digital advertising, sponsorship and marketing spend which is directed at the South African digital marketing industry;
 - 3.2.4. ensure a sustainable and vibrant digital marketing industry in South Africa;
 - 3.2.5. field critical research on interactive advertising, while also educating brands, agencies, publishers, and the wider business community on the importance of digital marketing.

4 OBJECTIVES

- 4.1. The IAB SA is established to represent and address issues of common interest of Members in digital advertising and in pursuance of the following objectives:
 - 4.1.1. staying up-to-date on global Digital Media and Digital Marketing trends so as to develop an understanding of how the South African digital marketing industry will change as it matures;
 - 4.1.2. formulating, implementing and continually evolving to educate the South African digital marketing and advertising community about the benefits of Digital Marketing and advertising;
 - 4.1.3. enabling the South African digital marketing industry with a single, credible audience and revenue measurement and tracking product to act as a planning tool for advertising and media agencies and as an information source for the marketing community;
 - 4.1.4. endorsing the highest digital advertising standards in digital publishing, development, creative advertising and digital media planning with respect to quality and integrity, credibility and accountability;
 - 4.1.5. where relevant, developing and promoting standards across the South African Digital Media and Digital Marketing industry; and
 - 4.1.6. engaging positively with other relevant bodies in order to further the interests of a sustainable Digital Media and Digital Marketing industry in South Africa.
- 4.2. The IAB SA achieves these objectives by providing a forum:
 - 4.2.1. in which Brands, Online Publishers, Creative or Development Agencies, Media Agencies and Educators can address issues of common interest; assess post member definitions finalised;
 - 4.2.2. which can facilitate engagement, interaction, learning and commerce between Members, focused on growing the South Africa digital marketing industry;
 - 4.2.3. which can represent the South African digital marketing industry before the marketing community, the press, government and the public; and
 - 4.2.4. through which international digital marketing players can enter the South African digital marketplace.
- 4.3. For the avoidance of doubt, while Members must adhere to the requirements of this Constitution, the IAB SA is not a self-regulatory body for the digital advertising industry. The IAB SA strongly encourages and recommends that its Members join and subject themselves to self-regulatory bodies within their respective sub-industries, including, but not limited to, the Press Council of South Africa, the Broadcasting Complaints Commission of South Africa, the Advertising Regulatory Board, and such other self-regulatory bodies as may exist from time to time.

5 STRUCTURE

- 5.1. The IAB SA consists of a general body of Members who comply with the criteria for membership as set out in clause 6.2 below.

- 5.2. Subject to the Board's right to fill vacancies on the Board in accordance with the provisions of the MOI, the Directors are elected by the Members at the annual general meeting.
- 5.3. The Board shall also be entitled but not obliged to appoint committees and/or sub-committees to manage the day-to-day affairs of the IAB SA and may, from time to time and in its sole discretion, form and dissolve such committees as it may deem appropriate to deal with specific matters of the IAB SA, as contemplated in clause 10 below.

6 IAB SA MEMBERSHIP

6.1. Application for membership

6.1.1. Any person or entity which wishes to become a Member of the IAB SA ("Applicant") shall complete the prescribed IAB SA membership application form in force from time to time, or will make application by such other means as may be determined by the Board from time to time, and shall indicate in its application whether it intends to become a General Member, Associate Member or Affiliate Member.

6.1.2. Further to clause 6.1.1, an Applicant will be eligible for membership, or will be entitled to be admitted as a Member, only if:

6.1.2.1. it meets the criteria set out in clause 6.2 of this Constitution; and

6.1.2.2. the relevant membership application has been vetted and approved by a majority of the Board. The Board shall be empowered, in its sole discretion, to decline or accept any application for membership or to refer such application back to the Applicant for further clarification or details,

following which the Applicant shall remain a Member until resignation or termination of membership in accordance with this Constitution.

6.2. Qualification for Membership

6.2.1. Any Applicant which is a Brand, an Online Publisher, a Creative or Development Agency, an Educator, or a Media Agency may apply for Membership status as a General Member, Associate Member or Affiliate Member.

6.2.2. An Applicant will be considered for membership where the Applicant undertakes, in writing, to –

6.2.2.1. make timely and proper payment of its annual membership fee;

6.2.2.2. be in continuing compliance with the provisions of this Constitution, as amended from time to time and to continuously promote the IAB SA's purpose, mission and objectives as set out in the Constitution;

6.2.2.3. demonstrate an ongoing commitment to best practices in Digital Media and Digital Marketing industry in South Africa;

6.2.2.4. appoint a senior executive and an alternate from its ranks for the purpose of acting as its Representative, as described in clause 6.9 below;

- 6.2.2.5. employ only lawful and ethical digital marketing techniques and practices which do not have the effect of misleading or confusing consumers and to comply with the rulings of the Press Council, the Broadcasting Complaints Commission of South Africa, the Advertising Regulatory Board, and similar bodies;
- 6.2.2.6. as and when required by the IAB SA to do so, to adopt and comply with the digital audience measurement and tracking standards and product adopted by the IAB SA from time to time, and shall not publish or publicly endorse measurement statistics for its own or other IAB SA members publications that are in conflict with or contrary to the IAB SA -adopted measurement and tracking standards.

6.3. Rights and privileges of membership

6.3.1. General Membership

- 6.3.1.2. A General Member in good standing, upon the payment of its annual membership fee, shall have the following rights and privileges:
 - 6.3.1.2.1. The right to vote for the Directors on the Board.
 - 6.3.1.2.2. The right to have a Representative attend and participate at all meetings of Members and cast one vote on each matter properly before such meeting.
 - 6.3.1.2.3. The right to have a Representative stand for nomination and be appointed to serve on the councils referred to in clause 10 below.
 - 6.3.1.2.4. The right to have a Representative nominated and elected by the Members to serve as a Director on the Board.
 - 6.3.1.2.5. The right to exercise such other rights and privileges as may be prescribed for General Members by the Board.

6.3.2. Associate Membership

- 6.3.2.1. An Associate Member in good standing, upon the payment of its annual membership fee, shall have the right to exercise such rights and privileges as may be prescribed for Associate Members by the board of directors from time to time.

6.3.3. Affiliate Membership

- 6.3.3.1. An Affiliate Member in good standing, upon the payment of its annual membership fee, shall have the right to exercise such rights and privileges as may be prescribed for Affiliate Members by the Board from time to time.

6.4. General obligations of Members

- 6.4.1. Members shall, for the duration of their membership, comply with the undertakings set out in clause 6.2.2 above.
- 6.4.2. Members shall, in respect of their Digital Media and Digital Marketing functions and operations:
 - 6.4.2.1. comply with all applicable legislation and judicial decisions that impact their

business;

- 6.4.2.2. conduct their business professionally, fairly, responsibly and with integrity;
- 6.4.2.3. respect the constitutional right to freedom of speech and expression;
- 6.4.2.4. not promote the use of hate speech or defamation;
- 6.4.2.5. respect the intellectual property rights of the persons to whom Members render services;
- 6.4.2.6. not infringe the intellectual property rights of customers or any third parties;
- 6.4.2.7. take reasonable measures to prevent unauthorised or unlawful access to, interception of, or interference with data as contained in the ECT Act;
- 6.4.2.8. not misrepresent themselves and ensure transparency in their dealings with their customers (prospective or current); and
- 6.4.2.9. only sell or offer for sale services and commercial media assets which the Member is lawfully entitled to sell.
- 6.4.2.10. In dealings with other Members and customers, act fairly, reasonably, professionally and in good faith.

6.5. Finances

6.5.1. *Membership fees*

- 6.5.1.1. Members will be required to pay an annual membership fee, payable annually in advance.
- 6.5.1.2. The Board shall prescribe annual membership fees applicable to General Members, Associate Members and Affiliate Members.
- 6.5.1.3. The Board may, by way of resolution passed by not less than 75% of Directors present and entitled to vote at a Directors' meeting, determine and institute different categories of membership and prescribe different membership fees in relation to such different categories.
- 6.5.1.4. Notwithstanding anything to the contrary herein contained, no Member (or its Representative) whose membership fees have not been paid on the due date for payment will be entitled to vote at any meeting of the IAB SA for as long as such membership fees remain outstanding.

6.6. **Transfer of membership**

- 6.6.1. A Member's membership of the IAB SA is not transferable in any manner or form.

6.7. **Members' meetings**

6.7.1. *Members' meetings*

- 6.7.1.1. Save as otherwise provided herein, the IAB SA is not required to hold any other Members' meetings other than those that may be specifically required by the Act.

6.7.2. *Convening of Members' meetings*

6.7.2.1. The Board or any person authorised by the Board, is entitled to call a Members' meeting at any time.

6.7.2.2. In addition to other meetings of the IAB SA that may be convened from time to time, the IAB SA shall convene an annual meeting of Members once in each calendar year, but not more than 18 (eighteen) months after the date of the previous annual meeting of Members.

6.8. **Members' right to requisition a meeting**

6.8.1. The Board must call a Members' meeting if:

6.8.1.1. one or more written and signed demand/s for such a meeting are delivered to the IAB SA;

6.8.1.2. each such demand describes the specific purpose for which the meeting is proposed; and

6.8.1.3. in aggregate, demands for substantially the same purpose are made and signed by Members representing at least 15% (fifteen percent) by number of the total Members;

and such meeting/s must be convened in accordance with the provisions of clause 6.7.

6.9. **Representatives**

6.9.1. Each Member shall appoint:

6.9.1.1. a specific person, in writing, as its Representative to attend all Members' meetings on its behalf, to stand for nomination for and serve on IAB SA councils and committees on its behalf;

6.9.1.2. a specific person to serve as an alternate for such Representative in the event of the Representative's unavailability, provided that only one Representative or alternate per Member shall be entitled to attend Members' meetings;

6.9.1.3. a specific person, in writing, to serve as its IAB SA Liaison Officer, with which the IAB SA will communicate, correspond and engage, provided that a Member may appoint the same person as its Representative and its IAB SA Liaison Officer.

6.10. **Location of Members' meetings**

6.10.1. The location of any Members' meetings shall be determined by the Board and Members' meetings may be held anywhere in South Africa.

6.11. **Notice of Members' meetings**

6.11.1. A notice of a Members' meeting must be in writing and must include –

6.11.1.1. the date, time and place for the meeting;

- 6.11.1.2. the general purpose of the meeting, and any specific purpose if the meeting has been called or demanded for a specific purpose;
 - 6.11.1.3. a copy of any proposed resolution for consideration and determination by the Directors; and
 - 6.11.1.4. in case of an annual general meeting, the financial statements to be presented.
- 6.11.2. Any such notice shall be delivered to all Members at least 10 (ten) business days before the meeting is to begin.

6.12. Chairperson

- 6.12.1. The chairperson, if any, of the Board shall preside as chairperson at every Member's meeting.
- 6.12.2. If there is no chairperson, or if at any meeting he or she is not present within 15 (fifteen) minutes after the time appointed for holding the meeting or is unwilling to act as chairperson, the Directors present shall choose 1 (one) of their number to be chairperson. If no Director is willing to act as chairperson or if no director is present within 15 (fifteen) minutes after the time appointed for holding the meeting, the Members present shall choose one of their number to be chairperson of the meeting.

6.13. Votes

- 6.13.1. Where the Directors have convened a meeting of Members in accordance with clause 6.7.2, or where Members have requisitioned a meeting in accordance with clause 6.8, each Member present or represented by proxy shall have one vote.
- 6.13.2. Even if he is not a member –
 - 6.13.2.1. any Director; or
 - 6.13.2.2. the Company's attorney (or where the Company's attorneys are a firm, any partner or Director thereof), may attend and speak at any Members' meeting, even though he may not vote.

6.14. Quorum and postponement of meetings

- 6.14.1. The quorum for a Members' meeting to begin or for a matter to be considered, shall be 10% (ten percent) by number of the total Members or their proxy.
- 6.14.2. If within 15 (fifteen) minutes after the appointed time for a meeting to begin, the requirements of clause 6.14.1 for that meeting to begin have not been satisfied, the meeting may be postponed, without any motion or notice, for (one) week (to the same day, time and place provided same is not a Public Holiday) or such longer period as may be determined by the person intended to preside over such meeting, provided that the person intended to chair a meeting that cannot begin may extend the 15 (fifteen) minutes limit allowed for a reasonable period on the grounds that –
 - 6.14.2.1. exceptional circumstances affecting the weather, transportation or Electronic Communication have generally impeded or are generally impeding the ability of Members to be present at the meeting; or

- 6.14.2.2. one or more particular Members, having been delayed have communicated an intention to attend the meeting, and those Members, together with others in attendance, would satisfy the requirements of 6.14.1.
- 6.14.3. The Company shall not be required to give further notice of a meeting that has been postponed or adjourned in terms of this clause unless the location for the meeting is different from –
- 6.14.3.1. the location of the postponed or adjourned meeting; or
- 6.14.3.2. the location announced at the time of adjournment, in case of an adjourned meeting.
- 6.14.4. If at any time appointed in terms of 6.14.2 for a postponed meeting to begin, or for an adjourned meeting to resume, the requirements of clause 6.14.1 have not been satisfied, the Members present in person or by proxy will be deemed to constitute a quorum.
- 6.14.5. After a quorum has been established for a meeting, or for a matter to be considered at a meeting, all the Members forming part of the quorum must be present at the meeting for the matter to be considered at the meeting.
- 6.14.6. The maximum period allowable for an adjournment of a Members' meeting shall be 60 (sixty) Business Days after the date on which the adjournment occurred.
- 6.15. **Members' meeting by electronic communication**
- 6.15.1. This MOI does not prohibit the Company from providing for any Members' meeting to be conducted by Electronic Communication, or for one or more Members, or proxies for Members, to participate in any Members' meeting by Electronic Communication, subject to the provisions of the Act.
- 6.16. **Other**
- 6.16.1. Members will be responsible for all their own expenses in connection with their membership, including but not limited to travel cost associated with the attendance of any Members' meetings. Exceptions to this rule require prior written Board authorisation.
- 6.16.2. The Board may accept unconditional offers from Members or any other organisations to pay for special projects undertaken by the IAB SA .
- 6.16.3. The Board will be entitled to charge special levies to Members from time to time to fund special projects of the IAB SA which are necessary for or ancillary to the IAB SA 's mission, provided that such levies has been approved by the Board.
- 6.16.4. Membership fees as set by the IAB SA shall not cover any cost associated with the adoption and implementation by Member of an audience measurement and tracking product which has been adopted by the IAB SA .
- 6.17. **Suspension and termination of membership status**
- 6.17.1. The Board may, in its sole discretion, suspend and/or terminate the membership of any Member who fails to make full payment within 90 (ninety) days of the due date for

payment of membership fees.

- 6.17.2. A Member's membership may also be suspended and/or terminated –
 - 6.17.2.1. by a majority vote of the Members;
 - 6.17.2.2. by written notice of resignation delivered by the Member to the Board; or
 - 6.17.2.3. at the discretion of the Board, whose decision shall be final and binding, and not subject to any appeal, where the Member has –
 - 6.17.2.3.1. failed to pay membership fees despite demand thereof;
 - 6.17.2.3.2. failed to adopt and implement the audience measurement and tracking product adopted by the IAB SA from time to time;
 - 6.17.2.3.3. failed to comply with the provisions of the Constitution; or
 - 6.17.2.3.4. is otherwise in breach of the undertakings which the Member gave the IAB SA upon making its membership application.
- 6.17.3. Any Member whose membership of the IAB SA has been terminated for whatsoever reason shall forfeit all membership fees and other amounts paid by it to the IAB SA.

7 STRUCTURE AND ROLE OF THE BOARD

- 7.1. The Board shall be elected by Members at the annual general meeting and will comprise of a minimum number of 3 (three) and a maximum number of 10 (ten) Directors comprising, inter alia, at least the following:-
 - 7.1.1. a chairperson and a vice chairperson, being each either:
 - 7.1.1.1. a Representative of a General Member which is a Media Agency, or a Creative or Development Agency; or
 - 7.1.1.2. a Representative of a General Member which is an Online Publisher;

provided that, if the chairperson is a Representative of a General Member which is a Media Agency or a Creative or Development Agency, the vice chairperson shall be a representative of a General Member which is an Online Publisher, and vice versa;
 - 7.1.2. another Representative of a General Member which is an Online Publisher;
 - 7.1.3. another Representative of a General Member which is a Media Agency or a Representative of a General Member which is a Creative or Development Agency; and
 - 7.1.4. a treasurer.
- 7.2. The Board will perform oversight, fiduciary and fiscal duties and will set the overall strategy for the IAB SA.

8 DUTIES OF THE BOARD

- 8.1. The primary duty of the Board is to further the IAB SA's mission, as specified in the

Constitution.

- 8.2. The Board shall report to the Members, from time to time in its discretion, on its activities and the affairs of the IAB SA.
- 8.3. The Chairperson shall preside at all meetings at which he/she is present and shall enforce observance of the Constitution, sign minutes of meetings after confirmation, exercise supervision over the affairs of the IAB SA and perform such duties as customarily pertain to the office of Chairperson.
- 8.4. The Vice Chairperson shall, in addition to such duties as may be mandated by the Board, perform the functions of the Chairperson in the event of the absence or inability to act of the latter.
- 8.5. The Treasurer shall, in addition to such duties as may be mandated by the Board, receive and disburse monies of the IAB SA; maintain a record of all receipts and disbursements; be responsible for budgeting for the IAB SA; present the annual financial statements to the Members at the annual general meeting; submit the IAB SA's accounts to a qualified auditor at the end of each financial year; and engage with such auditor to the extent necessary.
- 8.6. The Board may, in its discretion, appoint persons to act as the secretariat, bookkeeper and auditor of the IAB SA and to perform such functions and duties as the Board may from time to time determine. These persons will not be required to be Members, and if they are not Members, may be remunerated for their services as the Board may determine.

9 POWERS OF THE BOARD

- 9.1. In addition to anything contained in this Constitution and the MOI, the Board shall be entitled to incur expenditure in the furtherance of its duties and take action in all matters on behalf of the IAB SA.

10 COMMITTEES AND COUNCILS

- 10.1. Committees may be formed and dissolved by the Board in its sole discretion from time to time to deal with specific issues in accordance with a statement of objectives, as determined by the Board.
- 10.2. The Board may appoint committees of Directors and delegate to any such committee any of the authority of the Board.
- 10.3. At meetings of Members, General Members may nominate and elect Representatives of General Members, which may or may not be Directors, to serve on councils established by the Board.
- 10.4. In establishing committees and councils, the Board shall endeavour to ensure that the following portfolios are covered, although the following list should serve more as a guideline than as an exhaustive mandatory list:
 - 10.4.1. Online Publishing;
 - 10.4.2. Agency & Affiliate;

- 10.4.3. Educational;
 - 10.4.4. Brand;
 - 10.4.5. Measurement;
 - 10.4.6. Research;
 - 10.4.7. Regulatory; and
 - 10.4.8. Liaison.
- 10.5. The overriding duty of committee and council members is to act in the best interests of the IAB SA, and not in any sectional, commercial or personal interest. A committee or council member is required to disclose interests which might give rise to a conflict of interest relating to his or her IAB SA duties. Disclosure is also required of any non-financial interest (such as kinship or a past, present or prospective business relationship) which might influence his or her judgment as a committee member.
- 10.6. Each committee or council shall be entitled, but not obliged, to co-opt individuals to sub-committees. Such co-opted members shall not be deemed to be members of the committee or council and shall be under the directions of – and may be replaced in the discretion of – the Director or chair of the relevant committee or council.
- 10.7. The Board will also be entitled, but not obliged, from time to time to co-opt such additional members to the Board as the Board may deem appropriate, to assist the Board with specific projects. Such co-opted members shall not, for the purpose of this Constitution, be deemed to be members of the Board.

11 ACCOUNTING

- 11.1. The IAB SA shall only utilise its funds for the objects for which it has been established.
- 11.2. Any operations or any account of the IAB SA, with the exception of deposits, shall be upon the signature of at least two Directors of the Board.

12 ACCESS TO IAB SA RECORDS

- 12.1. Each Member is entitled to inspect and copy, upon payment of the prescribed maximum charge for any such copy, the information contained in the records of the IAB SA referred to in section 26(1) of the Act, being –
 - 12.1.1. the MOI, and any amendments or alterations thereof, and any Rules of the IAB SA;
 - 12.1.2. a record of the Directors, including the details of any person who has served as a Director, for a period of 7 (seven) years after that person has ceased to serve as a Director, and any information relating to such persons referred to in section 24(5) of the Act;
 - 12.1.3. all –
 - 12.1.3.1. reports presented at an annual general meeting of the IAB SA for a period of 7 (seven) years after the date of any such meeting, provided that no such inspection right shall exist if and to the extent that the IAB SA is not required to,

and does not, in fact, hold an annual general meeting; and

- 12.1.3.2. annual financial statements required by the Act for a period of 7 (seven) years after the date on which each such particular statements were issued;
- 12.1.4. notice and minutes of all Members' meetings, including –
 - 12.1.4.1. all resolutions adopted by them, for 7 (seven) years after the date each such resolution was adopted; and
 - 12.1.4.2. any document that was made available by the IAB SA to the Members in relation to each such resolution;
 - 12.1.4.3. any written communications sent generally by the IAB SA to all Members, for a period of 7 (seven) years after the date on which each of such communications was issued; and
- 12.1.5. and generally; any information, whether in written or oral form, in relation to the IAB SA as may reasonably be requested.
- 12.2. A person not contemplated in clause 12.1 has a right to inspect the register of Directors of the Company upon payment of the prescribed maximum fee as determined in accordance with the Act for any such inspection.

13 INDEMNITY

- 13.1. Each Director of the Board is indemnified out of and from the funds of the IAB SA against all losses, charges, costs, damages and other liability which that Director of the Board may suffer or incur as a result of executing his duties as a Director of the Board, save to the extent that such Director acted negligently or fraudulently.
- 13.2. No office bearer of the IAB SA shall be personally liable for any loss suffered by any person as a result of an act or omission which occurs in good faith while the office bearer is performing functions on behalf of the IAB SA.
- 13.3. No Director or Member shall be answerable or deemed to be in any way responsible for any act or default of any other Director and/or Member, save to the extent that such Director and/or Member acted negligently or fraudulently.

14 DISSOLUTION

- 14.1. The IAB SA shall be dissolved upon a resolution to that effect by 75% of the Members at a Member's meeting, provided that the notice of the proposed resolution is given to Member's not less than 14 (fourteen) days before the date of the meeting.
- 14.2. Upon the winding up or dissolution of the IAB SA –
 - 14.2.1. no past or present Member or Director of the IAB SA, or person appointing a Director of the IAB SA, is entitled to any part of the net value of the IAB SA after its obligations and liabilities have been satisfied; and
 - 14.2.2. the entire net value of the IAB SA must be distributed to one or more non-profit companies, registered external non-profit companies carrying on activities within South Africa, voluntary associations or non-profit trusts having objects similar to the IAB SA's

main object as determined in terms of its MOI or by the Board.

15 NOTICES

15.1. Each Member of the IAB SA –

15.1.1. shall notify in writing to the IAB SA an address, which address shall be his registered address for the purposes of receiving written notices from the IAB SA by post and if he has not named such an address he shall be deemed to have waived his right to be so served with notices; and

15.1.2. may notify in writing to the IAB SA an email address and/or facsimile number, which address shall be his address for the purposes of receiving notices by way of Electronic Communication. Any Member who has furnished an Electronic Address to the Company, by doing so, authorises the IAB SA to use Electronic Communication to give notices, documents, records or statements or notices of availability of the foregoing to him and confirms that same can conveniently be printed by the Member within a reasonable time and at a reasonable cost.

15.2. Save as determined in this Constitution, in the MOI or in the Act, no Member shall be entitled to receive any notice from the IAB SA.

15.3. Save to the extent that any of the following provisions may be in conflict with any provision contained in the Act or the Regulations, any notice sent by –

15.3.1. registered post to the last-known address of a Member shall be deemed to have been delivered on the 7th (seventh) day following the day on which the notice or document was posted as recorded by a post office, unless there is conclusive evidence that it was delivered on a different day;

15.3.2. faxing the notice to a Member, if the Member has a fax number, shall be deemed to have been delivered on the date and at the time recorded by the fax receiver, unless there is conclusive evidence that it was delivered on a different date or at a different time; and/or

15.3.3. sending the notice to a Member by electronic mail, if the Member has an address for the receiving of electronic mail, shall be deemed to have been delivered on the date and at the time recorded by the computer used by the sender, unless there is conclusive evidence that it was delivered on a different date or at a different time.

15.3.4. If a provision of the Act or the MOI requires a document to be signed or initialled by or on behalf of a person, that signing or initialling may be effected in any manner provided for in the Electronic Communications and Transactions Act No. 25 of 2002.

16 TRADEMARK USE AND CONDITIONS

16.1. The IAB SA is the owner of the Marks and desires to allow the Member to utilise the Marks only in accordance with the terms and conditions set forth in this clause.

16.2. IAB SA grants each paid up Member the non-exclusive, revocable right to use the Marks on Member's presentations, website, correspondence, business cards and other documents or media, solely for the purpose of identifying itself as a member of IAB SA. Members shall not use the IAB SA Marks for any other purpose.

- 16.3. Any reference by a Member to IAB SA's website shall include a link to such website and any reference by Members to statistics, reports or other materials produced and/or owned by IAB SA shall include a reference to any and all of IAB SA's copyright or other ownership interest in the same.
- 16.4. Members shall not have the right to sublicense, authorise or enter into agreements with other persons, firms, entities or corporations granting to them or any of them the right to use the Marks or any other property owned by IAB SA.
- 16.5. Unless terminated as provided below, a Member's right to use the Marks in accordance with this clause shall terminate upon termination of the Member's membership in IAB SA.
- 16.6. Member's right to use the Marks in accordance herewith may be terminated or suspended by IAB SA in the event that the Board determines, in its sole and absolute discretion, that the Member has failed to comply with a provision of the Constitution.
- 16.7. In the event of termination or suspension, the Member shall discontinue use of the Marks within three (3) days of the date of such termination or receipt of a notice to such effect.
- 16.8. Members shall maintain the highest industry standards with respect to the use of the Marks.
- 16.9. Members shall use the Marks in accordance with the specifications, directions and processes furnished to each Member by IAB SA from time to time. Members shall have ten (10) days from the date of notice of any such changes in order to comply with such changes.
- 16.10. Upon twenty-four (24) hours notice, Members shall permit duly authorised representatives of IAB SA to inspect any use of the Marks by the Member.
- 16.11. Members acknowledge and agree that IAB SA is the sole owner of the Marks and Members may not claim any ownership rights in the Marks or otherwise use any trademarks or service marks that are the same or similar to the Marks.
- 16.12. In the event that the Member becomes aware of (i) any use by third parties that infringes on the Marks, or (ii) any claims by third parties against Member's use of the Marks, the Member shall notify IAB SA of such infringement, claim, suit or demand.
- 16.13. Members agree to defend, indemnify and hold IAB SA, its officers, directors, employees, agents, representatives, successors and assignees, harmless against all losses, damages or expenses of whatever form or nature, including reasonable attorney's fees and other costs of legal defence, whether direct or indirect, which they, or any of them, may sustain or incur as a result of a Member's use of the Marks.
- 16.14. If any legal action is initiated by either Member or IAB SA related to the Member's use of the Marks, the prevailing party shall be entitled to recover from the other party reasonable costs and attorneys' fees in addition to any other relief that may be awarded.

17 AMENDMENT OF THE CONSTITUTION

- 17.1. This Constitution or any part thereof may be altered (except to the extent that it any such alteration would conflict with the MOI and/or the Act) by a resolution passed by not less than 75% (seventy five percent) of Members present at a meeting convened for this purpose, provided that at least ten (10) business days' notice of such special meeting is given to members.

18 MEMBER INFORMATION

- 18.1. IAB SA address lists and Member information may not be used for any purposes other than the business of the IAB SA, unless with the prior written approval of the Board.