



UMHLATUZANA EDUCATION FUND, NPC

6 Kingslea, 193 Peter Mokaba Road, Morningside, Durban 4001, South Africa

CIPC Registration No. 2022 / 383364 / 08 — PBO No. 930076439 — Income Tax No. 930076439

29 November 2022

Emmanuel Gumbi
Tax Exemption Unit
SARS Head Office
271 Veale Street
Brooklyn, Pretoria
PO Box 11955, Hatfield, 0028
teu@sars.gov.za

TRANSMITTED BY EMAIL

Re: UMHLATUZANA EDUCATION FUND NPC --- Submission of revised Founding Document addressing requests for modifications in your PBO/Section 18a approval letter of 24 October 2022

Dear Emmanuel Gumbi,

On 24 October 2022 you wrote to us informing that are application for exemption from income tax and recognition as a PBO with Section 18a. Your letter also requested certain modifications and additions to the founding document, in this case our Memorandum of Incorporation (MoI) as a Non-Profit Company. We were six months to file with you a revised founding document.

The founding document has been duly modified. The revised was ratified by the Board of Directors at its meeting held on 28 November 2022 and the revised document has been filed with CIPC.

I quote the requests for modification from your letter, and the sections in the new MoI where these changes have been inserted are cited within square brackets:

1. Amend clause 8.1 to state Section 30 and not Section 30B DONE
2. Amend the founding documents to comply with the requirements of section 30 of the Income Tax Act, the following clauses must be added:
 - a) The funds of the public benefit organisation will be used solely for the objects for which it was established [SECTION 5.1.1 second paragraph]

b) No activity will directly or indirectly promote the economic self-interest of any fiduciary or employee of the organisation otherwise than by way of reasonable remuneration. [SECTION 5.1.1 third paragraph]

c) No funds will be distributed to any person, other than while undertaking any public benefit activity. [SECTION 5.1.5]

d) Dissolution clause must be amended to state that up on dissolution of the public benefit organisation, the remaining assets must be transferred to:

- Another public benefit organisation which has been approved in terms of section 30 of the Act.
- Any institution, board or body which is exempt from payment of income tax in terms of section 10(1)(cA)(i) of the Act, which has as its sole or principal object the carrying on of any public benefit activity; or
- Any department of state or administration in the national or provincial or local sphere of government of the Republic contemplated in section 10(1)(a) or (b) of the Act. [SECTION 18.3]

e) The activities of the organisation are to be carried on in a non-profit manner and with an altruistic or philanthropic intent. [SECTION 5.2.3]

f) The public benefit organisation will not be a party to, or does not knowingly permit, or has not knowingly permitted, itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is 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 this Act or any other Act administered by the Commissioner. [SECTION 5.2.4]

g) No resources will be used, directly or indirectly, to support advance or oppose any political party. [SECTION 5.1.4]

h) No remuneration will be paid 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 and has not and will not economically benefit any person in a manner which is not consistent with its objects. [SECTION 5.1.1 fourth paragraph]

i) No donation will be accepted 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 (other than a donor which is an approved public benefit organisation or an institution, board or body which is exempt from tax in terms of section 10(1)(cA)(i), which has as its sole or principal object the carrying on of any public benefit activity) may not impose any 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. [SECTION 5.2.5]

Furthermore, we have deleted certain sections from Chapter 4 of the MOI so that the enumerated PBAs are now exactly the same as in the approval letter.

We believe that we have now complied with all the requested changes.

Should you have any questions, please do hesitate to contact me. The best way to reach me is via email at m.aaron.bucher@gmail.com.

Thank you very much for your help with our registration.

Sincerely,

A handwritten signature in black ink that reads "Martin A. Bucher". The signature is written in a cursive style with a small dot above the 'i' in "Martin".

Martin Bucher
Executive Officer
Umhlatuzana Education Fund

Cc: Dorina Bowes (Chair of Board and Director), Thomas Konrad (Director), Deon Delport (Director, Public Officer, and Representative Tapayer)

Encl: (1) Your letter of 24 October; (2) Modified Memorandum of Incorporation voted with immediate effect by the Board of Directors replacing the Memorandum of Incorporation of 28 March 2022