



CONSTITUTION

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CONSTITUTION

OF

SUMMIT NETWORK GROUP

CHAPTER ONE

PREAMBLES

Whereas:

As Associate Members of Summit Network Group (SNG) -

We strive to uphold its high standards of credibility, integrity and achievements.

We recognize our obligations to one another, as expressed in this Code of Conduct & Ethics, which addresses the ways in which associate members of this corporate network association are expected to conduct themselves to bring into practice its vision, mission and goals.

We recognize that adherence to this Constitution and this Code is a condition of associate membership to SNG.

We aim to create a climate and opportunities for associate members to voice genuine concerns about actions or decisions they perceive to be unethical.

Moreover

As Associate Members of SNG, we shall at all times in our collective and individual interaction -

Deal fairly, honestly and with utmost integrity.

Promote and maintain a high ethical standard of conduct.

Contribute to creating a climate that will enable us to achieve our respective goals and objectives.

Refrain from any business activity that is not consistent with this Constitution.

Conduct business in a manner that is professional and in accordance with good corporate governance and sound entrepreneurial practice.

Introduce and accept individuals as associate members only if they comply with the criteria for associate membership in SNG.

Accept venture capital only from certified subscribed sources.

Accept and participate only in certified and quantifiable projects for investment and development purposes.

Respect information from associate members as being confidential in order to maintain and build trust and confidence in one another.

Contribute to associate members' growth by sharing valuable information, experience, resources and strategic alliances.

Refrain from taking improper advantage of our position to the disadvantage of others under any circumstances.

Promote SNG in the global community.

Contribute to SNG objectives and growth.

Moreover

As Associate Members of SNG, we shall at all times in our global corporate relations-

Respect the traditions, cultures and laws of each country in which we operate.

Act responsibly in all international trade, project developments and investments.

Be able to objectively justify all project developments and investments.

Favor consistent procedures among agencies and associate members when operating in countries where business practices differ from our own.

Work for multilateral action aimed at achieving common goals.

Refrain from any unlawful business activities or practices.

Moreover

As Associate Members of SNG, we shall at all times in our environmental, social development, training and educational sponsorships -

Concern us with the conservation of the environment in the broadest sense.

Recognize that certain natural resources are finite and must be used responsibly and sustainably.

Limit the use of finite resources in all business ventures.

Responsibly manage the buildings and the land we occupy, manage waste responsibly, and use energy efficiently.

Contribute to the economic well being and social development of the countries and communities in which we conduct business.

Where viable and appropriate, support communities by involving members of those communities in training and educational sponsorships.

Now therefore in the above premises -

This statement being our Code of Conduct & Ethics, we constitute, subject to all the terms and conditions of this Constitution, an exclusive, unincorporated corporate network association named Summit Network Group.

CHAPTER TWO

INTERPRETATION AND DEFINITIONS

1. INTERPRETATION AND DEFINITIONS

In this Constitution, unless the context otherwise indicates:

1.1 The headings and head notes of the various clauses are for reference and convenience only and shall in no way govern, explain, modify, amplify or aid or affect in the interpretation of this Constitution.

1.2 Unless inconsistent with the context, an expression that denotes:

1.2.1 Any gender includes the other genders;

1.2.2 A natural person excludes an artificial person and vice versa;

1.2.3 The singular includes the plural and vice versa.

1.3 When any number of days is prescribed in this Constitution, it shall be considered as working days reckoned exclusively of the first day and inclusively of the last day unless the last day falls on a day that is not a working day, in which case the last day shall be the day immediately following the non-working day.

1.4 Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail.

1.5 In the event of any clause of this Constitution being unenforceable for any reason whatsoever, then such clause shall be deemed separate and severable without affecting the validity of the remaining provisions of this Constitution.

1.6 Whenever any provision, rule, regulation, word or expression contained in this Constitution is in conflict, alternatively, inconsistent with an Act of Government, then:

1.6.1 The provision, rule, regulation, word or expression contained in this Constitution shall prevail; alternatively:

1.6.2 The applicable provision, rule, regulation, word or expression contained in this Constitution may be declared invalid by the management of SNG, and subsequently be removed from this Constitution, at its sole and exclusive discretion; and:

1.6.3 In such an event, the invalidity of any such provision, rule, regulation, word or expression shall not affect the validity of the remainder of, or any, provision, rule, regulation, word or expression of this Constitution.

1.7 This Constitution sets forth the entire contract and agreement between the members and SNG, pertaining to membership in SNG, as the case may be, and supersedes all enquiries, proposals, contracts, negotiations and commitments, whether oral or written, prior to the date of execution of this Constitution, or hereafter, as well as any concession made after the conclusion of this Constitution, pertaining to the aforesaid membership or this Constitution. Any concession or un-enforcement of any rights under this Constitution shall be without prejudice to a member's or management's rights as the case may be, and shall in no way be construed a deviation or substitution of this Constitution.

1.8 Trade custom and trade usage is superseded by this Constitution and shall not be applicable to the interpretation or performance of this Constitution.

1.9 If any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, notwithstanding that it is only in the definition clause, effect shall be given to it as if it were a substantive provision of this Constitution.

1.10 In this Constitution, unless the context indicates otherwise, the following definition and expressions shall bear the meanings assigned to them hereunder, namely:

1.10.1 “SNG”	Summit Network Group, an international corporate network association.
1.10.2 “Constitution”	This Constitution, rules and regulations as amended from time to time, governing SNG, associate members and the affairs applicable to associate membership.
1.10.3 “Member” or “Associate Member”	A person that has been granted exclusive membership by the management of SNG, who benefits from the associate membership network. The member’s right of participation in the SNG network excludes part ownership in the intellectual capital and/or operational income of SNG.
1.10.4 “Management”	A body that consists of not less than 10 SNG members or, alternatively, a management agent duly appointed by the corporate owners of SNG, that is responsible for the management of SNG’s financial, legal, investment, operational and/or administrative affairs.
1.10.5 “Money”	Currency of the United States of America, expressed as US Dollar or \$.
1.10.6 “Person”	A natural person.
1.10.7 “IBDF LLC”	IBDF International LLC, Reg. No.: 4512866, a registered company in Delaware, USA.
1.10.8 “Resolution of management”	A resolution taken at a duly constituted meeting of SNG’s management.
1.10.9 “Resolution of Members”	A resolution taken at a duly constituted meeting of members.
1.10.10 “Written”	‘Written’ or any term of like import includes words typewritten, printed, painted, engraved, lithographed, photographed or represented or reproduced by any mode of representing or reproducing words in a visible form.
1.10.11 “Intellectual capital”	SNG’s intellectual capital contained and reflected in its structural capital, its customer capital and its member capital.
1.10.12 “Structural capital”	SNG’s structural capital, as represented in its infrastructure, in the core accumulated knowledge and expertise of its corporate associations, systems, proprietary databases and trading structures.
1.10.13 “Customer capital”	SNG’s customer capital, as represented by the value of its established relationships with suppliers and customers.
1.10.14 “Member capital”	SNG’s member capital, as represented by the combined skills, knowledge, resources and expertise of its associate membership.
1.10.15 “Official language”	The official language for all communication and correspondence shall be English.
1.10.16 “Confidential information”	Shall include, but shall not be limited in its interpretation to, information relating to SNG, its members membership, all secret knowledge, technical information and specifications,

manufacturing techniques, designs, circuit diagrams, instruction manuals, blueprints, electronic artwork, samples, devices, demonstrations, formulae, know-how, information concerning materials, marketing and business information generally, and other materials of whatever description.

CHAPTER THREE

ENTRENCHED PROVISIONS, OBJECTIVE AND STATEMENT OF PURPOSE

2. ENTRENCHED PROVISIONS

2.1 The Code of Conduct & Ethics set forth in Chapter One: Preambles has been, *mutatis mutandis*, adopted from the IBDF LLC's Code of Conduct and Ethics, which, by this reference thereto, is made part of this Constitution.

2.2 The Code of Conduct & Ethics set forth in Chapter One: Preambles contains entrenched provisions and cannot be deleted from this Constitution, or derogated from, by any amendment, and any endeavored resolution by management or members in this respect shall be void as being patently contrary to the spirit and intent of this Constitution.

2.3 The IBDF LLC's Chief Executive Officer - who may, at his absolute discretion, delegate this power to SNG's management - is responsible for initiating and supervising the investigation of all breaches of this Code as well as ensuring, where necessary, that the appropriate disciplinary steps are taken.

3. OBJECTIVE

3.1 Management of SNG aims to establish an international corporate network infrastructure able to accommodate all its associate members, as limited in numbers by this Constitution.

3.2 Management of SNG aims to establish an international corporate network association of professional individuals and entrepreneurs as associate members, where all members have and reflect:

3.2.1 A high standard of integrity, honesty, moral and social values;

3.2.2 A likeminded or mutual level of commitment, desire and dedication to achieve corporate, financial and intellectual growth and success;

3.2.3 A desire to add and contribute to the growth and success of fellow associate members through the exchange of individual resources including, but not restricted to, corporate experience, individual knowledge, business opportunities, corporate finance and the like.

4. STATEMENT OF PURPOSE

The purpose of SNG is to:

4.1 Provide its associate members with access to a potentially well-resourced corporate network association in which to network.

4.2 Provide its associate members with indirect access, through the facilitation and negotiation by SNG, to potential exclusive and selective project development opportunities, corporate expertise and venture capital to enhance and expand on individual business endeavors, subject to all SNG's applicable requirements, rules and regulations.

5. CORPORATE AND DIVISIONAL GOVERNANCE AND OWNERSHIP

5.1 SNG is subject to the corporate and divisional governance and intellectual capital ownership of IBDF LLC.

5.2 IBDF LLC's ownership of SNG's intellectual capital is contained and reflected in the latter's corporate structure capital, customer capital, member capital and all operational income of whatsoever nature.

5.3 IBDF LLC may, at its absolute discretion, transfer, cede, assign or make over its intellectual capital to a third party.

6. POWERS OF MANAGEMENT

Management of SNG shall have all such powers as are permitted by IBDF LLC Board of Executives and members of SNG, which are necessary or conducive to the conduct, promotion and/or attainment of the objective of SNG.

7. GEOGRAPHICAL BOUNDARIES

SNG is expanding its activities and membership participation to the geographical boundaries of every country in the world.

CHAPTER FOUR

MEMBERSHIP

8. MEMBERSHIP EXCLUSIVE AND LIMITED

8.1 There will be no restriction or limitation as to the maximum authorized number of members allowed into SNG in terms of this Constitution, which membership can be obtained only on invitation.

8.2 A member's membership represents one out of the allotted memberships in SNG.

8.3 The allocation of membership in SNG to any person is subject to the applicant's unconditional acceptance of, and compliance with, all the provisions, rules, regulations, words and expressions contained in this Constitution or as from time to time amended.

8.4 A person will receive a membership number upon his successful application, which will be entered into the Member Register.

9. NATURE OF MEMBERSHIP

9.1 Membership is exclusive, singular, personal and renewable annually and no member shall be entitled to cede, assign, bequeath, make over, dispose or otherwise transfer any or all his rights, interest or obligations in terms of his membership or the Constitution.

9.2 Membership is not a regulated scheme or an investment scheme but an unincorporated corporate network association in which members can draw on fellow members' expertise and resources through active networking, and in accordance with this Constitution.

9.3 Membership in SNG is exclusively motivated and inspired by corporate principles and values, and has no affiliation or association to any religious, political or cultural group.

9.4 Membership is subject to sanction of disciplinary action, should a member fail to comply with any provision, rule, regulation, word or expression of this Constitution.

9.4.1 All disciplinary actions instituted against members shall be referred to the management of SNG for investigation thereof and the subsequent ruling thereon.

9.4.2 The findings or rulings concerning any disciplinary action conducted by the management of SNG shall be binding on members, unless management, at its sole and exclusive discretion, agrees to refer the previously mentioned matter for arbitration in accordance with Chapter Six: Proceedings in Law and Cost: Clause 26.1: Arbitration, of this Constitution.

9.5 Neither SNG nor its management guarantees membership opportunities. Associate members are made aware of the various risks involved in SNG membership as defined in clause 17: Membership Risk Factors, of this Constitution.

9.6 Membership can be obtained for an annual amount as determined by the management of SNG from time to time. Membership fees are not refundable for whatsoever reason or in whatsoever circumstance(s).

9.7 All membership subscription fees and revenue income derived through member services are for the benefit of SNG, who apportions and allocates the income in terms of its corporate guidelines and contractual responsibilities.

9.8 In order to secure members the right to network and participate in the activities of SNG without the potential restrictions or reflections imposed by any potential legal action, membership in SNG presupposes that a person applying for membership unconditionally accepts and agrees that, as an accepted member, he shall not be entitled, notwithstanding any legal right, to institute any legal action of whatsoever nature against SNG, its management, IBDF LLC, its Board of Executives, agent, directors of agent, consultants and associated companies, under any condition or circumstance of whatsoever nature.

10. MEMBERSHIP QUALIFICATION CRITERIA

10.1 To qualify as an associate member of SNG, an applicant must:

- Be a natural person that has been granted membership by the management of SNG under special circumstances.
- Be invited to become a member.
- Identifies himself with, and supports, the vision and goals of SNG.
- Have and exhibit integrity, loyalty, respect and stature in his profession and community.
- Have and exhibit strong moral and ethical standards.
- Continuously promote the interests of SNG and its members in every respect – on personal, social and professional levels.
- Respect the exclusivity of SNG through his professional conduct and through his contributions to SNG and fellow members.

Membership of SNG is subject to the unconditional acceptance of, and compliance with, the Constitution of SNG and the SNG Code of Conduct & Ethics.

10.2 To qualify for a SNG Franchise or Agency, a person must:

- Be a professional person or business executive.
- Have ready access to specialist legal, accounting and governmental guidelines, information, laws and regulations.
- Have and exhibit integrity, loyalty, respect and stature in his profession and community.
- Be able to provide SNG and its members with access to local markets, venture capital projects, cultural customs as well as legal and financial information.
- Support and assist SNG in its expansion program.
- Have ready access to A-grade office facilities where the SNG Franchise or Agency will be represented.

The SNG Franchise or Agency Representative position is subject to the unconditional acceptance of, and compliance with, the Constitution of SNG, the general rules and regulations governing a SNG Franchise or Agency, and the SNG Code of Conduct & Ethics.

11. MEMBERSHIP OPPORTUNITIES

Opportunities that are potentially available to members, through the facilitation and negotiation of SNG, subject to availability, individual preference, individual capabilities or the nature and level of networking involvement in SNG, are as follows:

- Access to international venture capital funding.
- Access to institutional funding or investments.
- Funding opportunities available to venture capitalists and investment angels.
- Access to merger and acquisition funding and professional expertise.
- Access to import and export finance and/or payment guarantees.
- Exposure to high-profile and lucrative new global business, project opportunities and speculation transactions for development or trading purposes.
- Exposure to new markets for products and/or services.
- Access to global partnership and consortium opportunities.
- Access to global corporate opportunities.
- Industry specific corporate advisory services available to entrepreneurs.
- Access to entrepreneurial and/or business support.

The aforementioned opportunities of members are strictly subject to applicable and relevant rules, regulations, policies, principles and procedures of SNG and/or this Constitution and/or IBDF LLC.

12. MEMBERSHIP RESPONSIBILITIES

12.1 On the request from Management, members are obliged to make available, free of any compensation whatsoever or alternatively on the discretion of Management, their respective knowledge, experience, business associations, resources and assistance, of any kind, to the benefit of SNG and its members.

12.2 Upon acceptance and registration of a person as a SNG member, such a member accepts unconditionally:

12.2.1 To take responsibility, collectively and individually, for the sustainability, growth and success of SNG, with specific reference to its corporate culture, objectives, goals and/or members, of whatsoever nature.

12.2.2 To participate in, contribute to, network in, and remain active in the corporate activities of SNG in every respect to achieve individual, financial and intellectual success.

12.2.3 To provide SNG with at least one quantifiable and accepted project per annum, according to SNG criteria, for the purpose of development, financing and/or speculation.

12.3 In addition to this Constitution, member participation is restricted by the laws, regulations and rules governing either the respective country or province where citizenship or residency is held or where members may choose to conduct business.

13. SOCIAL EVENTS

13.1 Management of SNG shall organize social events and gatherings as often as considered necessary or desirable by the management of SNG, to allow for interaction between members on a corporate or social level.

13.2 Such social events or gatherings shall be convened subject to a minimum number of members attending, as may be determined by the management of SNG.

14. COMMISSIONS

14.1 SNG shall be entitled to a mutually agreed commission or equity structure, payable to SNG by the member project leaders or project owner, on the date of signing an agreement or contract, on every corporate transaction or project provided, structured or facilitated by SNG.

15. CANCELLATION OF MEMBERSHIP

15.1 Notwithstanding a member's right to a disciplinary action or arbitration process as defined in this Constitution, management of SNG, at its sole and exclusive discretion, reserves the right to immediately cancel any member's membership and subsequent benefits if:

15.1.1 A member contravenes any condition of this Constitution;

15.1.2 Any conduct by a member is not consistent or conducive to SNG or membership;

15.1.3 At discretion of management with or without cause;

15.1.4 A member breaches the confidentiality as envisaged in this Constitution.

15.2 In the event where management shall cancel a member's membership, management shall:

15.2.1 Remove the member's name from the Member Register;

15.2.2 Cancel all membership benefits without the option of compensation to the member.

16. REDUCTION OR INCREASE OF MEMBERSHIP

16.1 Management can by a resolution of management fix, increase or reduces the authorized membership of SNG.

17. MEMBERSHIP RISK FACTORS

17.1 All private transactions between members as well as between members and SNG, involving but not restricted to professional advice, partnership agreements, and corporate dealings of any kind are, in their entirety, at the risk of respective members. Neither SNG nor management take any responsibility for any financial losses suffered by members.

17.2 Neither SNG nor its management guarantees or takes responsibility for any of the activities of the SNG membership network relating to the accuracy and integrity of the members or projects involved, as the function of SNG and its management is merely to provide an infrastructure where members can interact and exchange information and resources for their own personal benefit. It is the responsibility of members to secure the sustainability and effectiveness of the network.

17.3 Members should at all times take the necessary care and caution as well as seek independent legal and financial guidance when entering in any contract or agreement.

17.4 SNG does not guarantee member opportunities or potential profits, since membership does involve a certain amount of entrepreneurial risk, e.g. management risk:

- Management may be unable to select suitable consortium members or partners.
- Management may be unable to select suitable projects or ventures for members.
- Management may be unable to find suitable financing resources for certain and/or specific projects and/or ventures.
- Management strategy may not provide the expected results.
- Impact of political or social events.
- SNG may not draw enough active members as envisaged by management.
- Members may not be active or participate as is required by this Constitution.

17.5 Past performances of SNG and members are no guarantee for future performances.

18. MEMBER MEETINGS AND PROCEEDINGS THEREAT

18.1 Meetings

18.1.1 Upon the written request of members holding fifty percent or more of the membership in SNG, management shall convene a meeting of members.

18.1.2 Management shall give no less than 14 (fourteen) days' notice of meetings of members to those members whose names appear in the members' register on the date of notice.

18.1.3 Members that cannot attend meetings may by a proxy appoint any other member whose name appears in the members' register to vote or speak on his behalf.

18.1.4 Proxy forms must be submitted to SNG's management no later than 7 (seven) days' before the meeting.

18.2 Voting

18.2.1 Each manager has one casting vote at any management meeting of SNG, relating to issues and affairs of SNG. The Chairman of SNG has veto voting powers and can, at his sole discretion, overturn any decision made by management, irrespective of the number of votes cast or the issue voted upon.

18.2.2 Each member has one casting vote at any meeting of members of SNG, relating to member and membership affairs. Members of SNG are not entitled to vote on the appointment of SNG managers or on any issues relating to the business affairs of SNG.

18.3 Resolution of Members

18.3.1 Members of SNG shall carry and pass a resolution by the affirmative vote of:

18.3.1.1 A simple majority or larger majority as may be specified in the Constitution, of the votes of the members that were present at the meeting and entitled to vote thereon and were voted and did not abstain; or

18.3.1.2 A simple majority or such larger majority as may be specified in the Constitution, of the votes of each member, which were present at the meeting and entitled to vote on the resolution and were voted and not abstained and of a simple majority or such larger majority as may be specified in the Constitution; or

18.3.2 Members of SNG shall carry and pass a resolution consented to in writing by:

18.3.2.1 A majority or such larger majority as may be specified in this Constitution, of the votes of members entitled to vote thereon, or a majority; or

18.3.2.2 Such larger majority as may be specified in this Constitution, of the votes of each member entitled to vote thereon and of a majority, or such larger majority as may be specified in the Constitution.

CHAPTER FIVE

MANAGEMENT

19. MANAGEMENT

19.1 IBDF LLC or its duly appointed agent may appoint managers through closed tender to members, on such terms and conditions as it may contractually agree.

19.2 The criteria for membership, as set forth in Chapter Four: Membership, Clauses 9, 10, 12 and 15 shall *mutatis mutandis* apply to the criteria for appointment as incumbent managers.

19.3 Alternatively, IBDF LLC or its duly appointed agent may from SNG's members appoint as many managers and supporting managers as may be required to execute the objective and vision of SNG, provided that there shall always in this instance be a minimum of two managers.

19.4 In the event of IBDF LLC or its duly appointed agent making the appointments as referred to in sub-clause 19.3, the following rules shall apply to their office:

19.4.1 Each manager shall hold office for the term, if any, fixed by resolution of management. The term of office of a manager shall terminate on the manager's death, resignation or removal. The bankruptcy of a corporate manager shall terminate the term of office of such manager.

19.4.2 A manager may be removed from office, with or without cause, by a resolution of a majority of management or, with cause, by a resolution of IBDF LLC or its duly appointed agent.

19.4.3 A manager may resign his office by giving written notice of his resignation to SNG and the resignation shall have effect from the date the notice is received by SNG or from such later date as may be specified in the notice.

19.4.4 A vacancy in management may be filled by a resolution of management.

19.5 With the prior or subsequent approval by IBDF LLC or its duly appointed agent may fix the emoluments of managers with respect to services to be rendered in any capacity to SNG.

19.6 Management shall maintain a register of managers, a copy thereof shall be kept at the office of SNG.

20. RESPONSIBILITIES AND DUTIES OF MANAGERS

20.1 Managers appointed in terms of this Constitution and shall *inter alia* have and execute the following specific responsibilities, but not limited to:

20.1.1 The fulfillment of all Constitutional duties, obligations, tasks and responsibilities as set forth in this Constitution.

20.1.2 The fulfillment of advisory duties to the Chairman of IBDF LLC or its duly appointed agent and SNG with regards to detailed advice, opinions, ideas and documented research in specific known areas of expertise and responsibilities so as to promote SNG's vision, goals and objectives.

20.1.3 The responsibility to comply with, and act in accordance with, all applicable laws, acts and provisions.

20.1.4 The process of risk management, which shall address the exposure of SNG to at least the following:

- Physical and operational risks
- Human resource risks
- Technology risks
- Financing risks
- Business continuity and disaster recovery

- Market risks
- Compliance risks

20.1.5 The duties usually associated with an executive person of equal status and experience in a similar corporate position.

20.2 Without derogating from the specific duties as set forth in clause 20.1 above, management shall also be responsible to:

- Provide leadership and guidance to achieve SNG's vision.
- Manage, co-ordinate and monitor all aspects of the SNG network, its members, activities and growth.
- Organize and co-ordinate regular social gatherings for members.
- Continuously develop and maintain membership systems and procedures.
- Identify, select, and recruit suitable members according to the membership criteria.
- Create, maintain, develop and manage effective administration and communication systems and structures concerning its duties and functions.
- Fulfill, comply with and attend to any instruction of whatsoever reasonable nature from IBDF LLC or its duly appointed agent, provided such instruction bear relation to the direct appointment, duties or obligations.
- Provide IBDF LLC or its duly appointed agent with a detailed monthly report of all its activities and functions.
- Have a comprehensive and in-depth knowledge, understanding and insight of the operations, principles, policies, procedures, objectives, goals, rules and regulations set forth in this Constitution, concerning SNG
- Develop and manage strategic plans and action plans.
- Protect the interests of SNG and its associated members through good corporate governance and through adhering to SNG's Constitution and the SNG Code of Conduct & Ethics.

21. POWERS OF MANAGERS

21.1 The business and affairs of SNG shall be managed by managers who may pay all expenses incurred preliminary to, and in connection with, the formation of SNG, and may exercise all such powers of SNG as are not by the Act or by this Constitution required to be exercised by the management of SNG, subject to any delegation of such powers as may authorized by this Constitution, and to such requirements as may be prescribed by a resolution of IBDF LLC or its duly appointed agent; but no requirement made by a resolution of management shall prevail if it be inconsistent with this Constitution, nor shall such requirement invalidate any prior act of the managers which would have been valid if such requirements had not been made.

21.2 Managers may, by a resolution of management, appoint any person or company, including a person who is a member, to be an agent of SNG. The resolution of management to appoint an agent may authorize the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by SNG.

21.3 Every agent of SNG has such powers and authority given by the managers or as are set forth in this Constitution or in the resolution of management appointing the agent, except that no agent has any power or authority with respect to the matters requiring a resolution of management.

21.4 The continuing managers may act notwithstanding any vacancy in their body, save that if their number is reduced to a number lesser than the number fixed by, or pursuant to, this Constitution as the necessary quorum for a meeting of management, the continuing managers may appoint managers to fill any vacancy that has arisen or summon a meeting of IBDF LLC or its duly appointed agent.

22. POWERS OF MANAGERS TO AMEND OR AMPLIFY PROVISIONS

22.1 Whenever any provision, rule, regulation, word or expression contained in this Constitution is in conflict or inconsistent with each other, then:

22.1.1 The applicable provision, rule, regulation, word or expression shall be referred to the management of SNG to determine the meaning, purpose, intention or interpretation thereof, and which shall be binding on membership or members; alternatively

22.1.2 The applicable provision, rule, regulation, word or expression may be declared invalid by the management of SNG, and subsequently be removed from this Constitution, at its sole and exclusive discretion, and:

22.1.3 In such an event, as aforementioned in clause 22.1.2, the invalidity of any provision, rule, regulation, word or expression shall not affect the validity of the remainder of, or any, provision, rule, regulation, word or expression of this Constitution.

22.2 Whenever a provision, rule, regulation, word or expression contained in this Constitution is not sufficient or lacks additional provision, rule, regulation, word or expression to address and accommodate circumstances and/or situations, then:

22.2.1 Such a matter shall be referred to the management of SNG to compile and formulate any provision, rule, regulation, word or expression necessary to address and accommodate any situation or circumstance applicable to clause 22.2.

22.2.2 Save as aforesaid any additional provision, rule, regulation, word and/or expression shall be compiled and formulated at the sole and exclusive discretion of the management of SNG and shall be binding on the applicable situation, circumstance, associated member and/or membership.

22.2.3 Save as aforesaid the management of SNG shall then at its sole and exclusive discretion amend this Constitution to reflect any or all additional formulated provision, rule, regulation, word or expression.

23. BANK ACCOUNTS

23.1 Management may by resolution open bank accounts with any banking institution at its discretion in order to conduct the financial affairs of SNG.

23.2 Management may by resolution appoint any manager or official to sign a transaction or cheque on its behalf.

24. PROCEEDINGS OF MANAGERS

24.1 Management of SNG or any committee thereof may meet at such times and in such manner and places as management may determine to be necessary or desirable.

24.2 A manager shall be deemed to be present at a meeting of managers if he participates by telephone or other electronic means and all managers participating in the meeting are able to hear each other.

24.3 A manager shall be given no less than 3 (three) days' notice of meetings of managers, but a meeting of managers held within no less than 3 (three) days' notice having been given to all managers shall be valid if all the managers entitled to vote at the meeting who do not attend, waive notice of the meeting; and for this purpose, the presence of a manager at the meetings shall be deemed to constitute waiver on his part. The inadvertent failure to give notice of a meeting to a manager, or the fact that a manager has not received the notice, does not invalidate the meeting.

24.4 A manager may by a written instrument appoint an alternate who need not be a manager, and an alternate is entitled to attend meetings in the absence of the manager who appointed him and to vote or consent in place of the manager. The alternate's appointment shall be subject to the alternate being a registered member of SNG and approved by IBDF LLC or its duly appointed agent to act as an alternate.

24.5 A meeting of managers is duly constituted for all purposes if at the commencement of the meeting there are present, in person or by alternate, more than one half of the total number of managers.

24.6 If SNG shall have only one manager, the provisions herein contained for meetings of the managers shall not apply, but such sole manager shall have full power to represent and act for SNG in all matters as are not by the Constitution required to be exercised by the members of SNG and, in lieu of minutes of a meeting, shall record in writing and sign a note or memorandum of all matters requiring a resolution of managers. Such a note or memorandum shall constitute sufficient evidence of such resolution for all purposes.

24.7 An action that may be taken by the managers or a committee of managers at a meeting may also be taken by a resolution of management or a committee of managers consented to in writing or by telex, telegram, cable, facsimile, e-mail or other written electronic communication by all managers or all members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts, each counterpart being signed by one or more managers.

24.8 The managers shall cause the following corporate records to be kept:

24.8.1 Minutes of all meetings of management, members, committees of managers and committees of members;

24.8.2 Copies of all resolutions consented to by managers, members, committees of managers and committees of members; and

24.8.3 Such other accounts and records as the management, by resolution of managers, considers necessary or desirable.

24.9 The books, records and minutes shall be kept at the office of IBDF LLC, its duly appointed agent, or its principal place of business or at such other place as determined by management.

24.10 Management may, by a resolution of managers, designate one or more committees, each consisting of one or more managers.

24.11 Each committee of managers has such powers and authorities of management as are set forth in the resolution of managers establishing the committee, except that no committee has any power or authority either to amend the Constitution or to appoint managers or fix their emoluments, or to appoint agents of SNG.

24.12 The meetings and proceedings of each committee of managers consisting of two or more managers shall be governed *mutatis mutandis* by the provisions of this Constitution, regulating the proceedings of managers, as long as any provisions in the resolution establishing the committee do not supersede the same.

24.13 Resolutions of management shall only be valid if approved at a duly constituted meeting of managers or of a committee of managers of SNG, by affirmative vote of a simple majority of the managers present at the meeting who voted and did not abstain; or

24.14 A resolution consented to in writing by all the managers or all the members of the committee, as the case may be.

24.15 Where a manager is given more than one vote in any circumstances, the number of votes he casts shall in the circumstances count him for the purposes of establishing a majority.

CHAPTER SIX

PROCEEDINGS IN LAW AND COSTS

25. INDEMNITY

25.1 Subject to the limitations set forth herein, SNG may indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings against any person who:

25.1.1 Is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a manager or a liquidator of SNG; or

25.1.2 Is or was at the request of SNG, serving as a manager or a liquidator of, or in any other capacity is or was acting for another company or a partnership, joint venture, trust or other enterprise.

25.2 SNG may only indemnify a person if the person acted honestly and in good faith with a view to the best interest of SNG and, in the case of criminal proceedings, the person had no reasonable cause to believe that his conduct was unlawful.

25.3 The decision of management as to whether the person acted honestly and in good faith and with a view to the best interest of SNG and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of this Constitution, unless a question of law is involved.

25.4 The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of SNG or that the person had reasonable cause to believe that his conduct was unlawful.

25.5 If a person to be indemnified has been successful in defense of any proceedings referred to in that regulation, the person is entitled to be indemnified against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonable incurred by the person in connection with the proceedings.

25.6 SNG may purchase and maintain insurance in relation to any person who is or was a manager or a liquidator of SNG, or who at the request of SNG is or was serving as a manager or a liquidator of, or in any other capacity is or was acting for, another company; or

25.7 A partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not SNG has or would have had the power to indemnify the person against the liability under clause 25.1.

26. ARBITRATION AND DISPUTE RESOLUTION

26.1 Arbitration

26.1.1 A dispute between members or between members and SNG, relating to any matter arising out of the affairs of SNG and/or this Constitution or the interpretation thereof shall be referred, by either of the disputing parties, to the management of SNG for ruling, which shall be binding on the disputing parties, unless the management of SNG at its sole and exclusive discretion refers such for arbitration by way of a notice to the other party, in which notice particulars of the dispute are set out.

26.1.2 Such arbitration proceedings shall be held in Delaware and shall be held in a summary manner, which shall mean that it shall not be necessary to observe or carry out:

- 26.1.2.1 The usual formalities of procedure and there shall not be any pleadings or discovery;
- 26.1.2.2 The strict rules of evidence;
- 26.1.2.3 Immediately and with a view to being completed within 30 (thirty) calendar days' after it is demanded.
- 26.1.3 The arbitrator for such arbitration proceedings shall:
- 26.1.3.1 If the matter in issue is primarily an accounting matter, be an independent auditor with at least 10 (ten) years' experience, agreed upon by the disputing parties and, failing agreement, nominated by the chairperson for the time being of the Delaware Institute of Chartered Accountants; or
- 26.1.3.2 If the matter in issue is primarily a technical matter, be a suitably qualified person agreed upon by the disputing parties and, failing agreement, nominated by the chairperson for the time being of the governing body of the profession relevant to the technical matter; or
- 26.1.3.3 Any other matter, be a practicing advocate or attorney, admitted as such in accordance with the legislation of the law governing this Constitution, with at least 10 (ten) years' experience, agreed upon by the disputing parties and, failing agreement, nominated by the chairperson for the time being of the Delaware Association of Law Societies; or
- 26.1.3.4 In the event where the disputing parties are unable to agree whether the nature of a dispute is primarily of an accounting nature, technical nature, or any other nature, then the nature of that dispute shall be decided by a practicing advocate or attorney, admitted as such in accordance with the legislation governing this Constitution, with at least 15 (fifteen) years' experience, agreed upon by the disputing parties and, failing agreement, nominated by the chairperson for the time being of the General Council of the Bar of Delaware.
- 26.1.4 The decision of the arbitrator shall be final and binding on the disputing parties, who shall summarily carry out that decision, and either of the disputing parties shall be entitled to have the decision made an order of the court having jurisdiction, in accordance with clause 27.
- 26.1.5 The arbitration clause in this Constitution shall be severable from the rest of this Constitution and therefore shall remain effective between the disputing parties after this Constitution or a member's membership has been terminated.
- 26.1.6 No clause in this Constitution that refers to arbitration shall mean or be deemed to mean or interpreted to mean that either of the disputing parties shall be precluded from obtaining interim relief on an urgent basis from the court of competent jurisdiction, as per clause 27, pending the decision of the arbitrator.

27. LEGAL JURISDICTION

Notwithstanding anything to the contrary in this Constitution and/or any act or law of government and/or the place where a member has signed his membership application form and/or place of residence and/or place where a specific business activity is based and/or conducted and/or any other circumstance or situation involving a legal or arbitration process, members irrevocably and unconditionally agree that the Delaware Courts of Law shall *mutatis mutandis* have jurisdiction in respect of their person, cause of action, proceedings and judgments in all or any matters or differences between members or between SNG and members.

28. LEGAL COSTS

In the event of any legal action or arbitration process being instituted or initiated by a member against SNG, IBDF LLC or its duly appointed agent contrary to Chapter Four: Membership: Clause 9: Nature of Membership, members shall notwithstanding any law, court judgments and/or rule, unconditionally agree and accept to be liable for all legal or arbitration costs, of whatsoever nature, on a attorney-client scale of all parties involved.

29. CESSION AND DISPOSAL OF INTERESTS

IBDF LLC may, with due notice to members, sell, cede, assign, delegate, transfer, make over or otherwise legally dispose of, as the case may be, any or all of its right, title and interest in and to the intellectual capital and/or operational income derived there from, to third parties. In this event, a member shall have no right of recourse to any compensation or moneys derived there from.

30.VOLUNTARY WINDING UP AND DISSOLUTION

SNG may voluntarily commence to wind up and dissolve by a resolution of IBDF LLC If and when IBDF LLC decides to voluntarily wind up and dissolve SNG, the decision shall be final, and members shall not be entitled to compensation in any way.

CHAPTER SEVEN

GENERAL PROVISIONS AND WARRANTIES

31. CONFIDENTIALITY CLAUSE

31.1 SNG irrevocably warrants and undertakes to keep all information of management and members confidential. No third party will have access to confidential information, unless a question of law is involved.

31.2 No member or manager besides the Chief Executive Officer and official spokesperson of SNG may at any time divulge any information regarding SNG or any of its members to any third party that is not a member of the organization.

31.3 Should any member be found guilty of contravening clause 31.2, this will lead to an automatic expulsion of his membership in SNG and the forfeiture of his membership and all interests and benefits associated therewith.

32. ACKNOWLEDGEMENTS BY MEMBERS

At the signing of the official SNG Membership Application Form, a person unconditionally acknowledges, accepts and agrees to all the provision, rule and regulation, set out in this Constitution and in particular, but not restricted, to the following:

32.1 He fully understand the content, context, meaning and application of this Constitution, and

32.2 He is aware of the various risks involved in participation with the SNG network, and

32.3 He is made aware of the various responsibilities towards SNG and in particular with regards to his own individual, financial and intellectual growth.

32.4 In addition to the aforementioned, he accepts and agrees that neither SNG nor its management has any responsibility to provide its members with any or all of the membership opportunities set forth in Chapter Four: Membership: Clause 11: Membership Opportunities, but that any or all membership opportunities depend on availability, individual member preferences, capabilities and/or nature and level of networking participation of each individual member of SNG.

32.5 He unconditionally agrees to hold SNG, its management, IBDF LLC, its Board of Executives, agent, its directors, associated companies and consultants, free from harm and not responsible for any direct or indirect losses, of whatsoever nature, including but not restricted to financial, intellectual, intellectual property, project opportunity and business opportunity losses of any kind. In addition to the aforesaid, a person or member shall not have the right to institute or initiate any legal action, whether civil or criminal, of whatsoever nature against the aforementioned parties.

32.6 He shall on acceptance as an associate member of SNG, pledge to remain active in all of the responsibilities of membership and always participate in a manner consistent with the rules and regulations of this Constitution and the SNG Code of Conduct & Ethics set forth in Chapter One: Preambles, and the spirit of the aforementioned.

CHAPTER EIGHT

DOMICILIUM, NOTICES AND COMMUNICATION

33. DOMICILIUM

The parties elect the following addresses as their respective *domicilium citandi et executandi*:

33.1 SNG at its nominated address indicated by Management from time to time.

33.2 Member at his nominated address chosen in the Membership Application Form.

33.3 Either of the parties may change its *domicilium citandi et executandi* to another address within the same country, by way of a notice to the other party to this Constitution, provided that such a notice is received by the addressee, at least 7 (seven) calendar days' prior to such a change taking effect.

34. NOTICES

The parties elect the following addresses at which all notices and other communications must be delivered for the purposes of this Agreement:

34.1 SNG

34.1.1 by hand at SNG's nominated address indicated by Management from time to time, marked for the attention of the Executive Manager;

34.1.2 by post to SNG's nominated address indicated by Management from time to time, marked for the attention of the Executive Manager;

34.1.3 by telefax to SNG's indicated fax number nominated by Management from time to time, marked for the attention of the Executive Manager;

34.2 MEMBER

34.2.1 by hand to his nominated address chosen in the Membership Application Form;

34.2.2 by post to his nominated postal address chosen in the Membership Application Form;

34.2.3 by telefax or e-mail to his nominated fax number or e-mail chosen in the Membership Application Form.

34.3 Any notice or communication required or given in terms of this Constitution shall only be valid and effective if:

34.3.1 it is addressed in English;

34.3.2 it is in writing;

34.3.3 identified by the member's registered membership number.

34.4 Any notice addressed to either of the parties and contained in a correctly addressed envelope and sent by registered post to it at its chosen address or delivered by hand to its chosen address to a responsible person on any day of the week between 09h00 and 16h00, excluding Saturdays, Sundays and USA public holidays, shall be deemed to have been received, unless the contrary is proven, if sent by registered post, on the 14th (fourteenth) calendar day after posting and, in the case of hand delivery, on the day of delivery.

34.5 Any notice sent by telefax to either of the parties at its telefax number shall be deemed, unless the contrary is proven, to have been received:

34.5.1 if it is transmitted on any day of the week between 09h00 and 16h00, excluding Saturdays, Sundays and USA public holidays, within 2 (two) hours of transmission;

34.5.2 if it is transmitted outside of these times, within 2 (two) hours of the commencement of any day of the week between 09h00 and 16h00, excluding Saturdays, Sundays and USA public holidays, after it has been transmitted.

34.6 Notwithstanding anything to the contrary contained in this clause 34, a written notice or communication actually served, delivered and received by a member or management in person shall be an adequate written notice or communication to it, notwithstanding that it was sent to or delivered at its chosen address or telefax number.

35. COMMUNICATION

35.1 Any comment, request, statement, enquiry, proposal and/or complaint from any member must be addressed to the management of SNG. All communication must be in writing in the official language, and forwarded in accordance with clause 34 of this Constitution.