

**MEMORANDUM OF UNDERSTANDING BETWEEN  
THE INDEPENDENT DEMOCRATS AND THE DEMOCRATIC ALLIANCE**

Entered into between

**THE DEMOCRATIC ALLIANCE**  
(hereinafter "the DA")

and

**THE INDEPENDENT DEMOCRATS**  
(hereinafter "the ID")

---

**PREAMBLE**

**WHEREAS** the ID and the DA share a common dream that the Republic of South Africa has the people, resources and the determination to become a great and successful nation, at peace with itself and the world;

**AND WHEREAS** both the ID and the DA are deeply concerned about the governance and service delivery failure at many levels, and the increasing inequality, crime, corruption and cronyism which deprive all South African citizens of the opportunity to achieve this dream;

**AND WHEREAS** both the ID and the DA recognise the urgent need of bringing about a fundamental realignment of South African politics, as the starting point of achieving this dream.

**NOW THEREFORE THE PARTIES ENTER INTO THE FOLLOWING MEMORANDUM OF UNDERSTANDING ("MOU"):**

1. The ID will phase out its activities as a separate organisation in a coordinated fashion up and until the National and Provincial Elections in 2014, and its members will join the DA, in the manner laid out in this MOU.
2. As at the 2014 Elections all remaining dual members of the ID and DA will become members of the DA only, and all assets and liabilities of the ID will, subject to clause 9, become assets and liabilities of the DA.
3. The National Executive Committee of the ID has agreed that all ID public representatives must become members of the DA, in addition to being members of the ID while the Federal Council of the DA has agreed (a) to accept ID public representatives as members of the DA, and (b) to allow such public representatives of the ID to hold dual membership of the DA. ID municipal councillors may hold dual membership until the date of the municipal elections in 2011, and ID MPs and MPLs may hold dual membership until the date of the national and provincial elections in 2014.
4. Dual members may be subjected to disciplinary proceedings by either or both parties in terms of their respective Constitutions and the Codes of Conduct.
5. The ID and the DA agree that the ID and DA public representatives will hold joint caucuses in whichever legislature or council they serve.
6. The DA and the ID agree that all members of the ID who wish to become members of the DA must apply on or before 30 September 2010. It is hereby agreed that the DA will delay the holding of any applicable branch and regional AGMs until after 30 September 2010 in order to allow such members to participate in these AGMs.
7. The ID herewith agrees that it will not select candidates to stand in by-elections, or campaign independently from the DA.

8. The ID and the DA herewith agree that the DA will co-opt an appropriate number of dual members or former members of the ID onto the DA National Management Committee, the Federal Executive, the Federal Council, Provincial Executives and Provincial Councils. The number of such co-opted members will be determined by agreement between the Leader of the DA and the Leader of the ID.
9. The ID and the DA herewith agree to establish a financial oversight structure, consisting of four members of the DA and two dual or former members of the ID. This oversight structure will:
  - Conduct a due diligence audit of the assets and liabilities;
  - Ensure that neither party engages in reckless or unauthorised expenditure, and that expenditure takes place against budget;
  - Ensure that both parties comply with the law relating to financial reporting and to the auditing of state funds;
  - Harmonise the budgets of the DA and ID to ensure that both contribute to the political goals and objectives established by the Federal Executive of the DA;
  - Receive monthly management accounts relating to expenditure and receipts by both parties.

Should any member of the financial oversight structure have concerns that are not adequately addressed by the structure, he or she must report the matter to the Leader of the DA and the Leader of the ID, who must raise the matter at the NMC or the Federal Executive.

10. All ID public representatives seeking re-elections will be subject to the procedure that has been agreed to by the ID and the DA. The Leader of the ID may, in individually meritorious cases, make representations on behalf of such public representatives to the selection panel and/or the relevant executive.
11. Employees of the ID will be integrated into the DA operational structures. The ID Secretary General will liaise with the CEO of the DA to manage this integration process. No employee of the ID will lose his or her employment as a result of this MOU. The state funds allocated to the ID will be used to cover the staff costs of its employees.

THE ABOVE CONSTITUTES A POLITICAL MEMORADUM OF UNDERSTANDING.