

THE
MEMORANDUM OF INCORPORATION
OF
SOUTHDOWNS HOMEOWNERS ASSOCIATION NPC
REGISTRATION NUMBER: 2005/012423/08



SOUTHDOWNS
RESIDENTIAL ESTATE

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The Memorandum of Incorporation of the Company is as set out in these Articles:

1. **INTERPRETATION**

In this Memorandum of Incorporation, unless the context otherwise requires:

- 1.1. **“Company”** means the Southdowns Estate Homeowners Association, a non profit Company not having Share Capital, NPC with registration number 2005/021423/08 to which this Memorandum of Incorporation is applicable, duly registered and incorporated according to the Company laws of the Republic of South Africa;
- 1.2. **“Companies Act”** means Act no 71 of 2008, as amended or any Act which replaces it;
- 1.3. **“Conditions of Establishment”** means the Conditions of Establishment approved by the Gauteng Development Tribunal and/or the City of Tshwane in respect of Irene extensions 52 and 147 to 159, 185, 187, 188, 203, 210 and 211;
- 1.4. **“Deliver”** means delivery of any notice, letter and/or any other document by hand at the Members residential stand or to the Member’s postal address as nominated and indicated by the Member in writing and recorded in the register of the Company or dispatched by telefax or e-mail to the facsimile number or e-mail address as indicated by the Member in writing from time to time. Electronic communication will carry the meaning set out in Section 1 of the Electronic Communications and Transactions Act, Act 25 of 2002 or as amended;
- 1.5. **“Developer”** means either Centurus (Pty) Ltd registration number 1982/005779/07 or Barkorox Investments (Pty) Ltd registration number 2009/007508/07;
- 1.6. **“Electronic Communication”** has the meaning set out in section 1 of the Companies Act;

- 1.7. **“Estate”** means Extension 52 and the proposed extensions 147 to 159, 185, 187, 188, 203, 210 and 211; Irene known as Southdowns Residential Estate or such other extensions as may be approved by the Local Authority;
- 1.8. **“Manager”** means the Estate Manager or managers with specified functions appointed from time to time;
- 1.9. **“Members”** means the persons or entities referred to in Article 5 and who have specified rights in respect of the Company as contemplated in item 4 of Schedule 1 of the Companies Act 71 of 2008;
- 1.10. **“Open spaces”** means the common and general areas, including but not limited to the gatehouse, landscaped areas, private streets, street lights, pavements, kerbs, sidewalks, traffic islands inclusive of road reserve, gas, electrical and water reticulation, fibre network, estate offices and other amenities and open spaces situated on the Estate;
- 1.11. **“Permitted Development Opportunity”** means the development of every stand in the instance of a full title property, and every unit in the instance of group housing.
- 1.12. **“Present At The Meeting”** means to be present in person, or able to participate in the meeting by Electronic Communication, or to be represented by a proxy who is present in person or able to participate in the meeting by Electronic Communication;
- 1.13. **“Profits”** includes revenue left as a result of over budget and capital income generated from the sale of a capital asset(s);
- 1.14. **“Property”** means any individual residential or commercial erf or stand as well as any sectional title unit (but excludes sectional title storage units). Commercial stands will be excluded for as long as they are occupied by the Developer, but for no longer than a period of five (5) years from August 2012;
- 1.15. **“Register”** means the register of Members kept in terms of the Companies Act;

1.16 **“Representative”** means, in relation to any member not a natural person, and in relation to any particular Trust or legal entity/ies registered as the owner:

1.16.1 A Company; its Shareholders, Directors and Office bearers;

1.16.2 A Close Corporation; its members, excluding minors; and

1.16.3 A Trust; its Trustees and Beneficiaries excluding minors.

but also in relation to a natural person , his or her spouse/partner in terms of a civil marriage, customary marriages and civil unions.

1.17 **“Resident”** means a person residing on a property in the Estate. Members are responsible for the actions of any person visiting or residing on their property including but not limited to contractors; tenants; visitors and deliveries;

1.18 **“Republic”** means the Republic of South Africa;

1.19 **“Rules”** means the Estate Code of Conduct and Design Guidelines made by the Directors in terms of Article 7 from time to time;

1.20 **“Re-sales levy”** means the levy paid by the seller of any Property in the Estate to the HOA calculated at 0,75% of the gross sales price;

1.21 **“Statutes”** means the Companies Act of the Republic of South Africa as well as each and every other statute or ordinance from time to time in force concerning companies and necessarily affecting the Company;

1.22 **“Storage facility”** means the sectional title storage units, already constructed and to be constructed, on stand 4346 (which may only be owned by Members of the ;

1.23 references to Members represented by proxy shall include Members represented by an agent appointed under a general or special power of attorney and references to Members present or acting in person shall include corporations represented or acting in the manner prescribed in the Statutes; and

1.24 expressions defined in the Companies Act, or any statutory modification thereof, in force at the date on which these Articles become binding on the Company shall have the meanings so defined; and

1.25 words in the singular number shall include the plural and words in the plural number shall include the singular, words importing the masculine gender shall include female gender, and words importing natural persons, shall include juristic persons, corporate entities and bodies corporate.

2. **PRELIMINARY PROVISIONS**

2.1. If the provisions of these Articles are in any way inconsistent with the provisions of the Statutes, the provisions of the Statutes shall prevail, and these Articles shall be read and interpreted in all respects subject to the Statutes.

2.2. Notwithstanding the omission from these Articles of any provision to that effect, the Company may do anything which the Companies Act empowers a Company to do if so authorised by its Memorandum of Incorporation.

3. **NON-PROFIT COMPANY**

The Company is a non-profit Company as defined and modified by Section 10(1) as well as the exclusions defined in Section 10(2) and Schedule 1 of the Companies Act 71 of 2008.

4. **MAIN OBJECT AND BUSINESS OF THE COMPANY**

The main object and business of the Company is to promote, advance and protect the interests, safety and welfare of the Members of the Company, including, but not limited to:

- 4.1. Controlling the character and architectural standards of buildings and other structures which are erected or still to be erected in the Estate.
- 4.2. Cutting the grass, trimming the edges, weeding, tidying and watering the public gardens; and
- 4.3. to manage and administer the security in and relating to the Estate including controlling traffic and implementing security measures for and controlled access to the streets and to the Property; and
- 4.4. to govern the Company's relationship with Irene Estate (Proprietary) Limited as regards the latter's farming activities on the agricultural erven in the Estate; and
- 4.5. to govern the relationship and contract between Irene Country Club and the Company and its Members whereby all Members are social Members of the Country Club; and
- 4.6. to issue and thereafter add to, vary, alter or retract behavioural or other rules and regulations for the administration and control of properties and the behaviour of owners and occupants of properties in the Estate and of the movement of pedestrian and vehicular traffic in the Estate as well as the use of roadways and open spaces in the Estate and the keeping and control of pets; and to enforce the said rules; and
- 4.7. to control the perimeters of the Estate, be they walled or otherwise fenced as well as the entrance/s to and exit/s from the Estate; and
- 4.8. to take transfer of and own and thereafter utilise for their purpose described in the Conditions of Establishment those erven in the Estate which in terms of the Conditions of Establishment must be transferred to the Company; and
- 4.9. to provide, install control and/or operate and/or maintain and/or manage the following infrastructural and/or engineering services serving the Estate, namely roads, sidewalks, walkways, conservation areas, electricity, gas and water, , storm water, drainage and sewerage in accordance with the Conditions of Establishment

of the Estate and the services agreement reached between the Developer and the local authority; and

- 4.10. to establish and control a capital fund out of amounts received from sellers of erven in the Estate (other than the Developer) with a view to providing the means (or part thereof) of replacing any part of the engineering services in the Estate and/or undertaking work of a capital nature in or in connection with the Estate; and
- 4.11. to control the implementation of the landscaping principles required in respect of the Estate by the Gauteng Department of Agriculture Conservation and Environment As covered by the Estate Environmental Management Plan.
- 4.12. to enforce the late building levy as covered in 10.2 below relating to the commencement and finalisation of building work in the Estate; and
- 4.13. in order to attain the aforesaid purposes, to levy contributions from its members of such amounts and so regularly as the Directors shall determine subject to any reasonable restrictions thereon determined by the Company's Members in general meetings; and
- 4.14. to undertake such other functions as are in the interest of the general body of owners of Property in the Estate.
- 4.15. to regulate the use by owners of Properties of services of estate agents, architects and building contractors.

5. **MEMBERSHIP**

- 5.1. Every registered owner of a Property in the Estate is a Member of the Company. A person including a representative becomes a Member of the Company on date of registration of transfer of the Property into his name.
- 5.2. A Member may not resign from the Company while he is the registered owner of a Property.

- 5.3. Where two or more people or any juristic entity owns a Property, the co-owners or representative are deemed collectively as one Member, and have the rights and obligations to the Company of one Member.
Similarly where a legal entity or Trust defined as a Member has one or more representatives, the representatives are seen collectively as one Member
- 5.4. The co-owners and representatives of a Property are jointly and severally liable for the performance of any obligation to the Company.
- 5.5. All Members must pay levies to the Company and must obey the rules of the Company.
- 5.6. Any obligation, known or unknown, that a Member may have had to the Company while he was a Member will be enforceable after termination of his Membership. The converse will not apply, save for instances of complying with prevailing legislation.
- 5.7. A Member may not let his Property, or allow anyone else to occupy it for any reason, for any length of time, unless the person who will occupy the Property has signed a contract which includes both this Agreement and a copy of the Rules made by the Board in terms of Article 7. The Member is responsible for the actions or inaction of the resident while they occupy the Property, and must pay any fines or penalties that may result from their occupation, even if the resident has not signed a contract.
- 5.8. A Member cannot transfer his rights and obligations to the Company to anybody else, except if he cedes his rights in terms of this Agreement to a bank as security for a mortgage.
- 5.9. Members must at all times further the objects and interests of the Company to the best of their ability; and must obey the rules of the Company made by the Board in terms of this Agreement.
- 5.10. Members in good standing have the right to use all common Property owned or leased by the Company, and are entitled to enjoy all other privileges offered by the Company.

- 5.11. A Member shall include the trustee in an insolvent Estate, a liquidator or the trustee elected in terms of the Agricultural Credit Act, 28 of 1966, the liquidator of a Company or close corporation which is a Member, the executor of the Estate of a Member who has died, or a representative of a Member, recognised by law of a Member who is a minor or of unsound mind or is under disability if such trustee, liquidator, executor or representative is acting within the scope of his authority.
- 5.12. The physical address of the Property is the Members' legal address for service of documents, notice or legal process. (*Domicilium citandi et executandi*.)
- 5.13. The Developer will not be a Member of the Company in respect of any unsold stands on which it does not pay levies.
- 5.14. Owners of sectional title storage units will not be Members in respect of the units.
- 5.15. A Member shall not sell or otherwise agree to alienate any Property of which it is the registered owner, unless it is a condition of such agreement that:
- 5.15.1. the person to whom the Property is to be sold or otherwise to be alienated ("the transferee"), has bound himself, to the satisfaction of the Company, as a contract for the benefit of the Company, to become a Member of the Company upon transfer of such land to him; so that
- 5.15.2. the registration of transfer of the Property to the transferee shall *ipso facto* constitute the introduction of the transferee as a Member of the Company *mutatis mutandis*.

6. **LEVIES**

- 6.1. The Directors of the Company may impose levies on Members of the Company.
- 6.2. Each individual Property owner pays the same levy, even if the erf or sectional title unit size differs.

- 6.3. Any erf consolidated or tied will pay the governing levy, multiplied by the number of underlying consolidated or tied erven.
- 6.4. Members must pay levies to cover the expenses of the Company that have been paid or that the Company reasonably believes it will have to pay in the future, for the operation, protection, maintenance; repair and improvement of the Estate and its common properties.
- 6.5. An estimate, in reasonable detail, of the amount of the levy (the “estimate”) must be prepared by the Directors not less than thirty days (or as soon afterward as may be possible) before the end of the Company’s financial year, alternatively Annual General Meeting.
- 6.6. The estimate must set out in reasonable detail:
- 6.6.1. the amount that the Directors of the Company believe will be needed to cover expenses for the next financial year;
 - 6.6.2. the deficit from the preceding financial year if any, and an explanation of the deficit;
 - 6.6.3. if the Directors believe it necessary, the details of any amount to be held in reserve to meet unexpected costs, or a reserve fund for unanticipated expenses; and
 - 6.6.4. the contribution payable by each individual Member.
- 6.7. If the Directors do not prepare an estimate in time, the Members must continue to pay the same levies as in the year before. The new levy is payable from the first day of the first month after the Directors have properly served the estimate.
- 6.8. The Members must pay levies for each month in advance, on or before the first day of the month. The Member will sign a debit order authorisation for the Company to obtain payment directly from his/her bank.

- 6.9 The Directors may impose a special levy on Members, for any necessary unforeseen unscheduled expenses not included in the estimate, and may decide on a method by which the Members must pay the special levy.
- 6.10 The Directors must publish notice of their intention to impose a special levy, at least ten days before its imposition on the Members. The notice must specify the reason for the special levy, the amount and the breakdown of the calculations in terms of which the amount was reached.
- 6.11 Any Member disagreeing with the imposition of the levy may, with the support of 20% of the Members, demand the Directors call a meeting of the Members to vote on the imposition of the levy. In the event that the Members call for a meeting, the imposition of the levy is suspended until voted upon.
- 6.12 The vote is cast on a 51% majority of Members at the meeting forming a quorum.
- 6.13 The Company may charge interest on any amount owing to it. The Directors may decide the rate of interest, which must not be more than is allowed in respect of incidental credit agreements by the National Credit Act 34 of 2005. The Directors must from time to time pass a resolution related to the interest, and have the resolution available in the minute book.
- 6.14 The sectional title storage facility to be constructed on stand 4346 will contribute to the levy fund. The Body Corporate of the storage facility will pay a contribution calculated as follows:
- 6.14.1 Six (6) times a single normal levy (excluding any special levies) multiplied by a factor of the number of units sold/occupied divided by 130 total units as a contribution to security.
- 6.14.2 The payment of this levy contribution does not confer any Membership or voting rights or either the Body Corporate or individual owners of storage units.
- 6.14.3 The Company will not perform any functions on the site, including, inter alia, cleaning, landscaping, road maintenance or repairs and all such duties fall to

the Body Corporate which is obliged to maintain the same high standards of the Estate.

- 6.15 The Developer will pay the following levies in respect of the following extensions:
- 6.15.1 Single Residential Erven: Extension 148, 149, 155, 158, 159:- The Developer will pay levies on unsold stands commencing one (1) year after the sale and transfer of the first stand in each extension.
- 6.15.2 Group Housing Erven: Extensions 147, 150, 151, 152, 153, 154, 156, 159:- The Developer shall not pay levies on unsold units, erven or extensions as from the date of transfer of that extension. Thereafter a period of eighteen (18) months will be granted to commence construction and a further eighteen (18) months to complete construction. Failure to meet either day will result in the imposition of normal levy for each permitted development opportunity on that erf or extension or as otherwise agreed with the Directors of the Company.
- 6.16 Members will pay a resale levy of 0,75% of the gross selling price to the Company on the sale, donation or exchange of Property. If the Property is donated or exchanged the resale levy of 0,75% will be calculated on the market value (as determined by a registered valuator). The sale of majority shareholding or Members interest in the event of the Member being a Company or, Closed Corporation will be considered as a resale and the 0,75% resale levy will be payable.
- 6.17 A Member shall not sell or otherwise agree to alienate Property of which it is the registered owner, unless all financial obligations towards the Company has been met by the Member and a Member shall not be entitled to transfer Property, unless a certificate under the hand of a Director of the Company has been issued certifying that all financial obligations (levies, special levies; services gas; water; electricity; telecommunication, resale levy, interest and any other amount) of the Member to the Company has been met and the requirements of Article 12 have been met.

7. **RULES**

- 7.1. Subject to the provision of Article 7.2, Section 15(3) and 15(4) of the Companies Act and to any restriction imposed or direction given at a general meeting of the Company, the Directors may from time to time make, and from time to time amend, substitute or add to the Rules of the Company in respect of its main objects, any other necessary Rules and;:
- 7.1.1. Rules governing the design and aesthetic control of any building improvements to be erected on Property in the Estate. The Southdowns Building Design Guidelines and Standards as amended from time to time
- 7.1.2. Rules governing the conduct of Members, their families, lessees, visitors, guests, occupants of their dwellings, contractors, employees and friends to ensure the security and safety of the Property and all persons thereon. The Southdowns Estate Code of Conduct as amended from time to time in terms of this Article .
- 7.1.3. Rules governing access to the Estate by owners, visitors, contractors and other invitees. The Southdowns Contractors Cooperation Agreement and the Southdowns Estate Code of Conduct as amended from time to time in terms of this Article shall apply, as well as any such temporary directives issued by the Board from time to time in instances of emergency, public health and safety or the general interest of the Estate residents.
- 7.1.4. Rules governing the determination and recovery of connection fees and charges for water, sanitation, electricity, gas and telecommunication services. The Southdowns Management Services (Pty) Ltd residential supply agreements for gas apply for energy gas supply until terminated or a new agreement is concluded with a new supplier or successor in which case such agreement will be applicable.
- 7.1.5. Notwithstanding the aforementioned the Directors, may not effect any changes which materially change the intention or application of the Rules without a resolution at either a special or general meeting of Members. This

article particularly relates to the Building Design Guidelines and Standards in 7.1.1 above.

- 7.2. For the enforcement of any of the rules made by the Directors in terms hereof, the Directors may:
- 7.2.1. take or cause to be taken such steps as they may consider necessary to remedy the breach of the rule of which the Member may be guilty (including, without limiting the generality of the aforementioned, summarily terminating the supply of services to the Member's Property and/or denying or restricting access to the Property by the Member), and debit the cost of so doing to the Member concerned, which amount shall then be deemed to be a debt owing by the Member concerned to the Company; and/or
 - 7.2.2. take such other action, including court proceedings, as they may deem fit.
- 7.3. In the event of any breach of the rules by the Members of any Member's household, or his guests, or lessees or employees, such breach shall be deemed to have been committed by the Member himself, but, without prejudice to the aforementioned, the Directors may take or cause to be taken such steps against the person actually committing the breach as they in their discretion may deem fit.
- 7.4. Notwithstanding the aforementioned, the Directors may in the name of the Company enforce the provisions of any rules or temporary directives by proceedings in a court of competent jurisdiction and for this purpose may appoint such attorneys and counsel as they may deem fit.
- 7.5. It shall be the duty of the manager, or such other person or body as may be empowered by the Directors, to ensure compliance by the Members with the rules, and to this end to issue such penalties and notices or do such things as may be necessary or requisite.
- 7.6. Each Member undertakes towards the Company that he shall comply with any rules made in terms of this Article 7.

- 7.7. If the Directors pass a resolution to include, amend or delete ("change") a rule or fine, they must publish details of the inclusion, amendment or deletion of the rule or fine to the Members of the Company.
- 7.8. Any change to the Rules becomes effective on the date specified in the notice, which may not be less than seven (7) days after the change was published to Members.
- 7.9. The Directors shall be indemnified by the Members in respect of any action performed in proper pursuit of the rules.

8. **COMPANY'S POWER TO ENFORCE ITS RULES**

- 8.1. If a Member or Resident or any person for whom a Member or Resident is responsible, has broken the Rules of the Company, the Directors may:-
- 8.1.1. give notice to the Member or Resident concerned which requires him to rectify the breach or make payment of any amount claimed by the Company, within such reasonable period as the Directors may decide; and/or
 - 8.1.2. take or cause to be taken any steps as may be considered necessary to rectify the breach of the rule that the Member or Resident may be guilty of breaching, or recover the debt, and recover any costs of doing so from the Member or resident concerned, which amount shall be deemed, without the necessity of taxation or debate, to be a debt owing by the Member.
 - 8.1.3. enter the Member's Property to take any steps necessary to remedy the breach; and/or
 - 8.1.4. impose a system of fines or other penalties, and/or
 - 8.1.5. take such other steps including proceedings in Court, as they deem necessary.
- 8.2. The Company may sue its Members to recover fines.

- 8.3. If the Company takes legal action in any form against a Member or resident, the Company may recover its costs from the Member on the attorney and own client scale.
- 8.4. If a Member disputes a fine, the Member should notify the Directors in writing, within a reasonable period of receiving notice of the fine. For this clause, notice by a Member must be given at the Estate office and must be signed for.
- 8.5. The Board of Directors must appoint an ad hoc complaints committee consisting of no less than three (3) Members to examine the Member's complaint, and to decide, by whatever procedure, incorporating the rules of natural justice, as they may see fit, whether or not the fine should be imposed, or other steps taken.
- 8.6. If possible, the decision of the complaints committee must be made within fourteen (14) days of receipt of the Members' notice of dispute.

9. **APPLICATION OF OPTIONAL PROVISIONS OF THE ACT AND FINANCIAL ASSESSMENT PROCEDURE OF COMPANY**

- 9.1. The Company does not elect, in terms of section 34(2), to comply voluntarily with the provisions of Chapter 3 (*Enhanced Accountability and Transparency*) of the Act.
- 9.2. The Company does not elect, in terms of section 118 (1)(c)(ii), to submit voluntarily to the provisions of Parts B and C of Chapter 5 of the Act nor to the Takeover Regulations provided for in the Act and will be bound by these provisions only to the extent contemplated in section 118(1)(c)(i).
- 9.3. The accounts of the Company must nevertheless be strictly audited, in accordance with standards to be determined by the Directors from time to time by resolution, and minuted, but which may be no less than those imposed by IFRIS Small Business Compliant auditing.

10. **BUILDING DESIGN GUIDELINES AND STANDARDS**

10.1. No Member may:

10.1.1. erect any structure on any Property unless in compliance with the rules referred to in Article 7.1; or

10.1.2. erect any fencing or walling on the land or the Property or the residential stands, other than as prescribed by the Directors from time to time in the rules referred to in Article 7.1; or

10.1.3. install television antennae, radio aerials, satellite dishes, diesel powered generators or solar heating panels which are exposed to view from any building on the land without the prior written approval of the Company; or

10.1.4. make any additions or extensions to any building on any residential stand or erect any further building or structure, in particular, but not limited to, carports, garages, servants' quarters, store rooms, pergolas and boat houses, whether of a temporary or permanent nature, without the prior written approval of the Company;

10.1.5. Such approval shall be withheld if the Directors of the Company are of the opinion that such building or structure is inconsistent with Southdowns Building Design Guidelines and Standards including addendums as amended or supplemented from time to time.

10.2. Members of the Company who own vacant stands undertake to commence construction of their homes within eighteen (18) months of the date of first transfer from the Developer and to complete construction within a further twelve (12) months. Failure to meet either date will result in the imposition of a late building levy equal to two (2) times the normal levy which is payable in addition to the normal levy on each Property.

10.3. In the event that any Member who commences construction of a home remains in default to complete the building of the residential dwelling after the further

twelve(12) month period referred to in 10.2, the Company will be entitled to impose a late building levy equal to three (3) times the normal levy which is payable in addition to the normal levy on each Property, for a period of up to 6 months, which amount may, in the discretion of the Company, be doubled for a further period of up to six (6) months should the default persist unremedied.

- 10.4. In addition to anything elsewhere herein contained, the Company may, in its discretion, access and inspect any unfinished construction premises and, should it be discovered that such premises pose any material public health and safety risk which requires urgent remedial action, the Company may implement such steps to ensure the public health and safety of the construction site, at the Owners' cost.

11. PUBLIC OPEN SPACES AND AGRICULTURAL ERVEN

- 11.1. The Directors shall have control of all social and recreational facilities and amenities situated on the open spaces and may lay down, and amend, from time to time such rules as they may consider necessary for the use of any such facilities and amenities by Members, including the charging of such fee as they may deem reasonable for the use thereof.
- 11.2. The Directors may establish or permit the establishment of Committees of Members to control and regulate the use of any such social and recreational facilities and amenities, and may delegate to the committees of such clubs or any or all of their functions, powers and duties in relation to the particular facility or amenity concerned as they may deem fit.
- 11.3. The areas/erven zoned for agricultural use are governed by the Farming Agreement between the Company and Irene Estate (Pty) Ltd whereby Irene Estate has a servitude for agricultural use over the agricultural properties.

12. RESTRICTION ON TRANSFER OF PROPERTY

- 12.1. No Member shall transfer Property of which he is the registered owner unless:

- 12.1.1. the Company, under the hand of the manager or a Director has certified in writing that the Member has fulfilled all his financial obligations to the Company in respect of the period up to and including the date specified in such notice; and
- 12.1.2. the transfer takes place prior to or on that specified date; and
- 12.1.3. the Company, under the hand of the manager or a Director has certified in writing that the dwelling erected on the residential stand to be transferred, complies with the plans approved by the Company;
- 12.1.4. the proposed transferee has agreed in writing to become a Member of the Company and has signed the approval sale agreement or specified tri partite agreement, whichever is applicable, and such written agreement has been lodged with the Company and has signed debit order authorisation for the company to obtain payment directly from the Members bank for any amounts owing to the Company;;
- 12.1.5. a certificate in compliance with paragraph 12.1.1 has been issued by the Company to the Member that all levy contributions or other amounts owing by such Member to the Company have been paid prior to the transfer or that prior provision has been made to the satisfaction of the Directors for the payment thereof at registration.
- 12.1.6. the payment of the resale levy referred to in article 6.16 above comprises a part of the Member's financial obligation in terms of this article.
- 12.2. The Company may claim from any Member or his estate any arrears of levy or interest of other amount due by him to the Company at the time of his ceasing to be a Member.
- 12.3. Only Members of the Company may own sectional title storage units. In the event of a Member selling his Property, he/she must subsequently sell his/her storage unit to another member of the Company. If a storage unit is not sold within three (3) months of a Member ceasing to be a Member of the Company, the Company may then sell the unit, (including, inter alia, selling it on auction with no reserve price)..

The ex-Members will then be obliged to accept the price achieved and to sign all documentation to give effect to the sale.

13. **MEETINGS OF THE COMPANY**

- 13.1. The Directors must at least once a year call for and hold an Annual General Meeting of the Company, in accordance with the Act. The Annual General Meeting must be held within six (6) months of the financial year end.
- 13.2. Annual General Meetings and meetings called in order to pass a special resolution must be called for at least fifteen (15) business days before the meeting.
- 13.3. Ordinary Meetings or any other meeting must be called for on at least ten (10) business days notice.
- 13.4. Other General Meetings of the Company may be held from time to time as necessary. The Directors or Members may call for such a meeting in terms of the procedures set out in the Act.
- 13.5. A Members' requisition for a meeting of Members must:
 - 13.5.1. be in writing to the Directors;
 - 13.5.2. describe the specific purpose for which the meeting is to be held; and
 - 13.5.3. be made by, or signed by no less than twenty percent of the Members of the Company entitled to vote on the agenda item for the meeting; and
 - 13.5.4. the Chairman of the Company may, if the proposed resolution is received in time, include the proposed resolution in the notice of any meeting the Company has scheduled; or otherwise, after the Member has paid for it, publish a copy of the proposed resolution to all Members by whatever convenient means, as quickly as possible, before the meeting.

- 13.6. The accident omission to give notice of a meeting to any Member does not invalidate a resolution passed at that meeting.

14. **NOTICE OF MEETINGS**

- 14.1. A meeting of Members may be called on less notice than required in article 13.2 and 13.3, but such meeting may only proceed if every person who may exercise Voting Rights in respect of any item on the agenda for the meeting:

14.1.1. is Present At The Meeting; and

14.1.2. votes to waive the required minimum notice at the meeting.

- 14.2. A notice of Member's meeting must be given in a form prescribed by the Directors in the rules from time to time, and must include the following information:

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

14.2.2. the purpose of the meeting;

14.2.3. an agenda for the meeting setting out in reasonable detail all resolutions which will be proposed for adoption by Members at that meeting;

14.2.4. a copy or specimen of any proposed resolution of which the Company has received notice, and which is to be considered at the meeting, and a notice of the percentage of Voting Rights that will be required for that resolution to be adopted;

14.2.5. such other information as may be prescribed in the Act.

- 14.3. In the case of an Annual General Meeting of the Company:

14.3.1. a summarised form of the financial statements to be presented; and

14.3.2. directions for obtaining a copy of the complete annual financial statements for

the preceding financial year; and

14.3.3. a reasonably prominent statement that a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate in and vote at the meeting in the place of the Member; and

14.3.4. participants will be required to provide satisfactory identification to verify their right to participate at the meeting as set out below.

14.4. If the Company fails deliberately to give the required notice of a Member's meeting, or if there was a material defect in the giving of the notice, the meeting may proceed if all of the persons who are entitled to exercise Voting Rights in respect of each item on the agenda of the meeting:

14.4.1. acknowledge actual receipt of the notice;

14.4.2. are Present At The Meeting;

14.4.3. waive notice of the meeting; or

14.4.4. in the case of a material defect in the manner and form of giving notice, ratify the defective notice.

15. **VERIFICATION OF RIGHT TO ATTEND MEETING**

15.1. A person wishing to attend or participate in a Member's meeting (whether as a proxy or Member), must present reasonably satisfactory identification to the Chairperson of the meeting at least fifteen minutes before the time scheduled for the start of the meeting. The Chairperson must be reasonably satisfied that the right of the person to attend and vote has been reasonably verified. For the purposes of this article 15, the following forms of identification shall be reasonably satisfactory: a valid identity document, driver's license or passport (or a certified copy of any of these documents), Additionally a power of attorney, letter of authority or other instrument appointing the proxy or person to attend the meeting on behalf of a Member when attending as a proxy.

- 15.2. In the instance of a meeting held by Electronic Communication, the platform chosen by the directors for such purpose must enable the reasonable and satisfactory identification of participants.
- 15.3. In the event that the identification process is not completed by the time that the meeting is scheduled to begin, then the commencement of the meeting shall be delayed until the identification process is complete.

16. **PROCEDURE AT GENERAL OR ANNUAL MEETINGS**

- 16.1. The Chairman of a meeting will be the Chairman of the Directors of the Company or delegate Chairman as appointed by him.
- 16.2. If no Chairman is present within fifteen minutes of the scheduled start time of the meeting, then the Members present, whether or not a quorum, must choose a Chairman.
- 16.3. A Secretary must keep detailed minutes, in writing, of the meeting.
- 16.4. A quorum of Members is five (5) percent of the total number of Members of the Company Present At The Meeting.
- 16.5. If there is no quorum within fifteen minutes of the scheduled start time the meeting shall stand adjourned until a date, place and time appointed by the Chairman, which is not earlier than seven (7) days and not later than twenty-one (21) days from the scheduled date of the original meeting.
- 16.6. The new date and time of the adjourned meeting must be published, unless the meeting was adjourned to the same place, at the same time and for a date seven (7) days later in terms of the Act.
- 16.7. If there is no quorum present at the adjourned meeting, those Present At The Meeting will constitute a quorum and the meeting may proceed.

- 16.8. A quorum of Members may make a motion, asking the Chairman of a meeting to adjourn it at any time.
- 16.9. If the motion to adjourn the meeting is passed, the Chairman must adjourn the meeting.
- 16.10. The agenda at any adjourned meeting cannot vary in any material respect from the agenda for the original meeting and no other business may be conducted other than the unfinished business of the original meeting.
- 16.11. Save as set out above, meetings of the Company are to be convened and conducted in accordance with the Act.

17. **PROXIES**

- 17.1. Members who may vote may appoint any individual as a proxy to participate in, and speak and vote at, a meeting, or adjournment thereof, on behalf of that Member, or to give or withhold written consent on behalf of that Member.
- 17.2. A proxy must be appointed in writing by either a proxy form (in a form provided by the Company, set out in the Rules) or by a power of attorney or by such other means as may be acceptable to the Board and which shall comply with the provisions of the Act.
- 17.3. A Member may not appoint two or more persons concurrently as proxies.
- 17.4. A proxy may not delegate his authority to act on behalf of a Member to another person.
- 17.5. The proxy instrument or other authority appointing a proxy must be delivered to the Company, preferably no later than close of business twenty four (24) hours before the meeting is scheduled to take place, or at such place or within such time as the Board may from time to time direct and unless such instrument or authority is so deposited, such proxy shall not be entitled to attend and/or vote at the meeting.

- 17.6. The Chairman of the meeting may however at his/her discretion accept late proxies or proxies delivered at the meeting subject to the proxy being compliant with the aforementioned article 17.

18. **PARTICIPATION BY WAY OF ELECTRONIC COMMUNICATION**

- 18.1. The Directors may resolve, depending on the circumstances, to conduct a meeting of the Members of the Company entirely by Electronic Communication, or to allow one or more Members, or proxies for Members, to participate by Electronic Communication in all or part of such Members' meeting which is being held in person, provided that such Electronic Communication employed ordinarily enables all persons participating in that Members' meeting to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in such meeting.. The decision to hold a meeting entirely, or partly, by Electronic Communication, shall be in the sole and absolute discretion of the Directors.
- 18.2. The choice of the Electronic Communication platform employed will be in the sole and absolute discretion of the Directors.
- 18.3. Any Notice for a meeting will inform Members if the meeting will be held entirely or partly by way of Electronic Communication and will provide all the necessary information to enable Members or their appointed proxies to access the Electronic Communication medium.
- 18.4. Any of the provisions of this Memorandum of Incorporation that relates or refers to meetings of the Company, shall be deemed to include meetings by way of Electronic Communication *mutatis mutandis* (with the necessary amendment required by the context), and such provisions should be interpreted to permit meetings by way of Electronic Communication.

19. **VOTES AND POLLS**

- 19.1. Members who are suspended, owe money to or are otherwise not in good standing with the Company may attend meetings at the discretion of the Chairman, but may not vote at meetings of the Company. They are also not allowed to appoint a proxy

to attend or vote at the meetings for the Member. If they do vote, it will not be counted.

- 19.2. Each Property has one vote. Only one person may represent the Property. and exercise its vote, even if the Property has more than one registered owner.
- 19.3. Any matters put to the vote will be decided on a show of hands unless the Chairman directs that a poll be taken.
- 19.4. Members, or their proxies, may call for a poll on any vote, either before or on declaration of the result of a vote. A minimum of 5% of the Members present, or their proxies, must support the call for the poll. A call for a poll may be withdrawn.
- 19.5. The Chairman of the meeting will direct how the poll will take place. A demand for a poll on a resolution does not mean that the meeting must be interrupted. Other business must continue.
- 19.6. Save as is required by the Companies Act, voting at a meeting of Members, whether by show of hands or by poll, is decided by a simple majority.
- 19.7. In the event that the Companies Act, or any provisions of the Memorandum or Rules require a Special Resolution, a 75% majority of those present at a meeting properly commenced in terms of the act and this Memorandum is required.
- 19.8. The Chairman must announce any resolution to be considered and the Secretary must record in writing:-
 - 19.8.1. the proposed resolution;
 - 19.8.2. the manner in which the vote on the proposed resolution was cast; and
 - 19.8.3. whether the resolution was approved or not.
- 19.9. At any Members' meeting, unless any Member Present At The Meeting has, before the closure of the meeting, objected to any declaration made by the Chairman as to the result of any voting at the meeting, or to the propriety or validity of the

procedure of such meeting, the declaration by the Chairman of the outcome of a vote is definitive, and the secretary must record the approval or failure of the resolution, and the recordal will be a true and correct statement of the voting and conclusive evidence of the votes so recorded.

19.10. If a Member has an objection to the manner in which the meeting was run or votes were recorded, he must raise the objection before the close of the meeting. The Secretary must record the Members' objection.

19.11. If no objection is raised, the meeting is seen as having been in all respects properly and validly constituted and conducted, and the note of the outcome of any vote to have been correct.

20. **BUSINESS OF AN ANNUAL GENERAL MEETING OF MEMBERS**

20.1. The Agenda of an Annual General Meeting shall be decided by the Directors of the Company.

20.2. The Agenda must at minimum include:

20.2.1. the business prescribed by the Act, especially in respect of an AGM;

20.2.2. the election of new Directors of the Company, including determination of the number of Directors required for that year;

20.2.3. consideration of the **financial statements** of the Company;

20.2.4. levies; and

20.2.5. appointment of the auditor.

21. **MEMBERS RIGHTS TO INFORMATION**

- 21.1. A Member has the right to inspect and make a copy of the following documents as contemplated in sections 24, 26 and 85:
 - 21.1.1. this Memorandum (as amended);
 - 21.1.2. the record of Directors;
 - 21.1.3. reports presented at an Annual General Meetings;
 - 21.1.4. annual financial statements.
- 21.2. notices and minutes of all Members meetings (including any resolutions adopted at such meetings and any documents circulated in relation to any such resolutions);
- 21.3. written communications sent generally by the Company to Members;
- 21.4. the record of the Company secretary and Auditor.

22. **BUSINESS OF AND MEETINGS OF THE DIRECTORS OF THE COMPANY**

- 22.1. Subject to the instructions of the Members of the Company in general meetings, the Directors have all necessary powers to manage and control the business and affairs of the Company.
- 22.2. The Directors must meet at least every alternate month to discuss the business of the Company. All meetings must be minuted in detail in accordance with the Act. Any two Directors may call for an additional meeting at any reasonable time.
- 22.3. The Directors may otherwise regulate their business and meetings as they see fit.
- 22.4. The quorum for a Director's meeting is half the number of Directors plus one if the number of Directors is even, or one half the number of Directors plus one half if the number is odd.

- 22.5. When a resolution of the Board is called for, the Secretary must record in writing:-
- 22.5.1. the proposed resolution;
 - 22.5.2. the manner in which the vote on the proposed resolution was cast; and
 - 22.5.3. whether the resolution was approved or not.
- 22.6. Resolutions of the Board may be:
- 22.6.1. passed in counterpart;
 - 22.6.2. passed on a round-robin basis;
 - 22.6.3. or in any combination of the above.
- 22.7. A simple majority of the Directors present must approve a resolution in order for it to pass. The Chairman does not have a casting vote in the event of equality of votes.
- 22.8. If the number of Directors is below the minimum number allowed in terms of these Articles, the Directors may not act, except in emergency or to vote to appoint additional Directors as may be necessary to bring the number of Directors to the minimum number prescribed in the Articles.
- 22.9. Any Director who acts in emergency must give full particulars of the emergency to the Board at the next meeting held after the minimum number of Directors has been appointed, at which a quorum is present, for ratification by the Board.
- 22.10. In the event of all Directors resigning at once, the Secretary shall call for a Special General Meeting within twenty-one (21) days, for the purpose of electing Directors.
- 22.11. Each new Board of Directors must elect a Chairman. If the Chairman is not present within five (5) minutes of the start of a meeting, the Directors present must elect one of them to hold office for the duration of that particular meeting.

- 22.12. The Directors may delegate their powers to a committee of Members, or such other persons as they think fit.
- 22.13. The Committee appointed must follow any rules or regulations that the Directors set for them, and may appoint sub-committees, with the approval of the Board.
- 22.14. The Committee's procedures, and its obligation to minute its meetings, are exactly the same as those of the Directors as set out in these Articles, subject to the authority of the Directors.
- 22.15. Any decision taken at a Directors meeting, or by a Director or committee, is valid, even if it is found later that the appointment of the Directors or committee, was irregular, or that they were disqualified in some way from acting.

23. **ELECTION OF DIRECTORS**

- 23.1. The Board of Directors of the Company (the "Directors") must have a minimum of five (5) and a maximum of seven (7) Members.
- 23.2. At each Annual General Meeting all Directors will stand down and may then be re-elected, provided that at least one third of all Directors elected in the preceding Annual General Meeting of Members, will be automatically re-elected in terms of clause 5(1)(b) of Schedule 1 of the Companies Act to ensure skills and proficiency continuation within the Company
- 23.3. The Directors may fill vacancies on the Board, which occur between Annual General Meetings.
- 23.4. Nomination forms for Directors must be included in the published notice for each Annual General Meeting.
- 23.5. Any proposal for a Director must be made and accepted by the nominee at least ten (10) working days before the meeting at which the Directors are to be voted for, and the proposed Director must provide the Members with a brief resume for publication prior to the meeting.

- 23.6. Each proposed Director is voted for individually. The number of votes for each proposed Director is counted, and the nominees having the most individual votes are elected, up unto the maximum number of allowed Directors.
- 23.7. A Member or his/her/its representative who wishes to serve as a Director of the Company must, be present at the meeting at which he is nominated. If the nominated person has excused himself/herself from the meeting in writing, the person will not be disqualified to be nominated as Director. He must be nominated and seconded by a Member of the Company and must accept the nomination before the meeting as set out above.
- 23.8. The Company may, at any Annual General or other meeting and by ordinary resolution remove a Director from office before the end of his term.
- 23.9. The remuneration of the Directors shall from time to time be determined by a resolution approved by the Members of the Company and subject to the provisions of Section 66(8) and Section 66(9) of the Companies Act, having regard to the general principle that Directors should not be remunerated. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors including those of attending and travelling to and from meetings of the Directors or any Committee of the Directors or at any meeting of Members of the Company.
- 23.10. The Directors may pay any Director who serves on any Committee or who devotes special attention to the business of the Company, or otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, such extra remuneration as they may determine and subject to the provisions of Section 66(8) and Section 66(9) of the Companies Act.

24. **DISQUALIFICATION OF DIRECTORS**

- 24.1. A Director must vacate his office as a Director of the Company if he:
- 24.1.1. profits by his office or has an interest in any contract with the Company without

the consent of the Board;

24.1.2. becomes of unsound mind;

24.1.3. is provisionally or finally sequestered; or

24.2. A Director who has, or will have, any direct or indirect, interest in any contract with the Company must disclose his interest.

24.3. The Board of Directors may not enter into a contract in which one of their number has a financial interest, unless 75% of the Board approves the arrangement, excluding the Director holding the interest, who may not vote.

24.4. The Directors must disclose the nature of the contract or interest held by the Director, at the next Annual General Meeting.

25. **INDEMNIFICATION OF DIRECTORS**

25.1. The authority of the Company's Board of Directors to advance expenses to a Director, or indemnify a Director in respect of the defence of legal proceedings, as set out in section 78(3) is not limited or restricted by this Memorandum.

25.2. The authority of the Company's Board of Directors to indemnify a Director in respect of liability as set out in section 78(5) is not limited or restricted by this Memorandum.

25.3. The authority of the Company's Board of Directors to purchase insurance to protect the Company, or a Director, as set out in section 78(6) is not limited or restricted by this Memorandum.

26. **ALTERATION TO MEMORANDUM**

26.1. Notwithstanding any Alterable Provision to the contrary, this Memorandum may be amended only if the proposed amendment is preceded by a Special Resolution passed at a properly quorate meeting of Members.

- 26.2. If the Memorandum is amended then the Board must file a Notice of Amendment of the Memorandum and the amendment will take effect on the date the Notice of Amendment is Filed or such later date as is specified in the Notice of Amendment.
- 26.3. The Board, or any individual authorised by the Board, may alter this Memorandum in a manner necessary to correct a patent error in spelling, punctuation, reference, grammar or similar defect on the face of the document by providing written notice of the proposed alteration to each Member. If none of the Members raise any objection to the proposed alteration to the effect that the proposed alteration exceeds the authority provided for in this article 26.2 within five (5) Business Days of receiving the notice of the proposed alteration, the Board may file the required Notice of Alteration. If any Member objects to the proposed alteration on the grounds aforesaid, the proposed alteration must be preceded by a Special Resolution.
- 26.4. The Board must deliver a copy of the relevant alteration or amendment to the Memorandum to each Member.

27. **COMMON AREAS OF THE COMPANY, CLEARANCES AND GENERAL**

- 27.1. The Company may not sell or sub-divide any of the fixed assets, sidewalks, open spaces, or other natural surrounds (the “common Property”) which are registered in its name without a special resolution supported by 75% of the Members.
- 27.2. The Directors of the Company may let any portion of common Property, provided that the lease may not be longer than three (3) years, with an option of renewal.
- 27.3. A Member may not apply to the Local Town Council or equivalent authority for a change in land use rights without first obtaining the consent of the Directors of the Company.
- 27.4. In general, whenever the consent of the Company is required to any course of action, the Company or its Directors, as the case may be, are obliged to give proper consideration to the matter before them, and may not unreasonably refuse a

Member's requests.

- 27.5. If consent is withheld, or a refusal given, the Member concerned may refer a dispute to arbitration in terms of these Articles, and must first exhaust all remedies in terms of these Articles, before taking further steps.

28. **BOOKS OF ACCOUNT**

- 28.1. The Company must maintain satisfactory books of account and contemporaneous records of the activities of the Company, according to generally accepted accounting practice and law.
- 28.2. The books and Minutes of Meetings, of the Company must be available during office hours to current Members or their duly authorised representatives, at the Company's registered office.
- 28.3. Before each Annual General Meeting, the Directors must prepare and present audited financial statements (the "accounting records"), for review & approval by Members.
- 28.4. A copy of the financial statements, or extracts thereof as allowed by the Act, must be published to Members of the Company no later than fifteen (15) business days before the meeting, and included on the agenda for the meeting.
- 28.5. All receipts of money, cash, cheques or the like received by the Company or on its behalf shall be deposited immediately into the Company's' banking account.

29. **DISPUTE RESOLUTION**

- 29.1. In the event of any Member disputing the fact that he has committed a breach of any of the Rules or should be deemed to have committed a breach as contemplated in Article 7.3, or if the Member disputes a fine issued (including without limitation the amount thereof), the following internal procedure must first be followed -

- 29.1.1. The Member must refer the dispute to the Estate Manager and request a reconsideration, in writing, within 7 (seven) days after being notified of such breach and / or fine.
- 29.1.2. Should the Estate Manager fail to consider the request for reconsideration within 7 (seven) days after receipt of the Member's request, or should the Member dispute the Estate Manager's decision, the Member must refer the dispute to the Governance and Compliance Committee of the Board and request a reconsideration, in writing, within 7 (seven) days after –
 - 29.1.2.1. the 7-day period envisaged in Article 29.1.2 expires; or
 - 29.1.2.2. after being notified of the Estate Manager's decision;depending on the case.
- 29.1.3. The Governance and Compliance Committee of the Board must consider the Member's dispute at such time and in such manner and according to such procedure as the Governance and Compliance Committee of the Board may direct, provided that the Governance and Compliance Committee of the Board must notify the Member in writing of its decision.
- 29.1.4. Should the Member dispute the decision by the Governance and Compliance Committee of the Board, the Member may refer the dispute for informal arbitration as envisaged in Article 29.3 below.
- 29.1.5. Should the Member fail to adhere to any of the time periods contemplated in or relevant to Articles 29.1.1, 29.1.2 or 29.1.4 above, it will be deemed that the Member no longer disputes –
 - 29.1.5.1. the fact that he has committed a breach of any of the Rules or that he is deemed to have committed a breach as contemplated in Article 7.3;
 - 29.1.5.2. the fine issued (including without limitation the amount thereof);

29.1.5.3. the decision of the Estate Manager; or

29.1.5.4. the decision by the Governance and Compliance Committee of the Board;

depending on the case.

29.2. Should any dispute [which shall exclude, for purposes hereof, any dispute envisaged in Article 29.1 above or any dispute relating to levies, or the amount thereof, or any other amount (other than fines which are dealt with in Article 29.1 above), due to the Company by the Member] arise between the Company and a Member, or between the Company and a Director, pertaining to the Company, this MOI, the Rules or any provisions of this MOI or the Rules (including the interpretation thereof), the parties to the dispute must, in the first instance, endeavour to settle such dispute between and amongst them through negotiation (conducted by and between the parties or their duly authorised representatives, who have authority to settle such dispute) within 14 (fourteen) days from the date on which a request thereto is delivered and must, in such instance, adhere to the rules of natural justice.

29.3. Where the Member disputes the outcome of the internal procedures envisaged in Article 29.1 above, or where a dispute cannot be settled by and between the parties thereto as contemplated in Article 29.2 above, the party who is dissatisfied with the outcome of any such internal procedures or the party who raised the dispute, may demand, in writing, that the dispute be referred for informal arbitration as contemplated in Article 29.4 below, which demand for a referral must be in writing and made within 7 (seven) days after –

29.3.1. the Member is notified of the decision by the Governance and Compliance Committee of the Board, pursuant to Article 29.1.3 above; or

29.3.2. the 14-day period referred to in Article 29.2 above has expired or the parties have reached an impasse, whichever is the earlier; and

should the Member or the party raising the dispute, depending on the case, fail to demand a referral as aforesaid, it will be deemed that the Member or such party, depending on the case, no longer intends to raise or proceed with such dispute and

that he or she or it is satisfied with the conduct / version / decision of the other party.

29.4. The informal arbitration envisaged in Article 29.3 above, must be conducted as informally as possible on the following basis:

29.4.1. The parties must use their best endeavours to ensure that the informal arbitration is held and concluded, and a decision handed down, within 30 (thirty) days after the arbitrator has been appointed.

29.4.2. The arbitrator must be a person nominated by the parties to the dispute or failing agreement between them within 7 (seven) days after the arbitration has been demanded, must be a person appointed by the Chairperson for the time being of the Arbitration Foundation of South Africa (or its successors in title).

29.4.3. The arbitrator shall have the fullest and freest discretion with regard to the proceedings but must at all times adhere to the rules of natural justice in this regard.

29.4.4. The arbitrator's decision shall be final and binding. The arbitrator may make an award as to his costs.

29.4.5. The arbitration shall be held in Pretoria in the Republic of South Africa.

30. **GENERAL**

The Directors have the power to engage the services of any professional person, including that of a managing agent, to perform duties or on behalf of the Company, or provide services to it.

31. **ADDRESSES AND NOTICES**

31.1. For the purpose of this agreement, the Company chooses legal address for service, or *domicilium citandi et executandi* ("*domicilium*") as follows:

Estate Office - Southdowns Homeowners' Association
Corner of John Vorster and Karee Road
Southdowns
Irene
Tel: 012 744 7000
E-mail: manager@southdownsestate.co.za

- 31.2. For the purpose of this agreement, each Member chooses as its *domicilium citandi et executandi* ("*domicilium*") the address of his/her/its property within the Estate.
- 31.3. The Company and Member may change its *domicilium* at any time by notice in writing, provided that the new *domicilium* is in the Republic of South Africa and is a physical address at which process can be served.
- 31.4. Except where the Act prohibits it, any notice given in connection with this Agreement may be delivered by hand or sent by prepaid registered post; or by e-mail.
- 31.5. Any notice or process delivered on any party in connection with any matter or subject arising out of this agreement or any notice shall be deemed to have been delivered if handed to any responsible person at the *domicilium* chosen by any party and it shall not be necessary to hand such process or notice to any party personally.
- 31.6. A notice given as set out above shall be presumed to have been duly delivered:
- 31.6.1. on the date of delivery if delivered by hand, e-mail ; and
- 31.6.2. on the fourth day from the date of posting including the date of posting if posted by pre-paid registered post from within the Republic of South Africa.

33. INCOME AND WINDING UP

- 33.1 The income of the Company, from all sources, shall be applied solely toward the achievement of its main objects and no portion thereof shall be

paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever, to the Members of the Company or to its holding or subsidiary companies; provided that nothing herein contained shall prevent the payment, in good faith, of reasonable remuneration to any officer or servant of the company or to any Member thereof in return for services rendered to the Company.

- 33.2 Upon its winding up, deregistration or dissolution, the assets of the Company remaining after the satisfaction of all its liabilities, shall be given or transferred to some other association or institution or associations or institutions having objects similar to its main object, to be determined by the Members of the Company at or before the time of its dissolution or, failing such determination, by Court.