

**REPUBLIC OF SOUTH AFRICA
COMPANIES ACT 1973**

ARTICLES OF ASSOCIATION OF A COMPANY

NOT HAVING A SHARE CAPITAL

(Section 60(1); Regulation 18)

Registration number of Company
2004/026561/08

Name of Company:

**PEBBLE ROCK GOLF VILLAGE HOMEOWNERS' ASSOCIATION
(ASSOCIATION INCORPORATED UNDER SECTION 21)**

(" **THE COMPANY** ")

- A. The Articles of Table A contained in Schedule 1 to the Companies Act of 1973, shall not apply to the Company.
- B. The Articles of the Company are as follows:



1. INTERPRETATION/DEFINITIONS

1.1 In these Articles, unless the context otherwise requires:

"the Act" shall mean the Companies Act 61 of 1973, as amended;

"Architect" shall mean the architect and/or designer accredited by the Association to approve building plans relating to Dwellings to be constructed in the Township;

"Articles" shall mean these Articles of Association (with all annexures thereto) or any amendments thereto by Special Resolution;

"the Association" shall mean the Pebble Rock Golf Village Homeowners Association, an Incorporated association not for gain;

"Auditors" shall mean the Auditors of the Association from time to time;

"the Board" shall mean the Board of Directors for the time being of the Company and appointed in terms of these Articles;

"Burkea Park" shall mean the neighbouring estate comprising of one hectare stands and administered by its own controlling body (Section 21 Company);

"the Chairman" shall mean the chairman for the time being of the Board of Directors;



"Clear Days Notice" shall mean a notice period exclusive of the day on which a notice is served or deemed to have been served and exclusive of the day for which the notice is given (day of meeting);

"Club House" shall mean the Pebble Rock Golf Club, a Club House privately owned and indicated as Erf 307 on the General Plan;

"the Common Property" shall mean any property Registered in the name of the Association;

"the Company" shall mean the above named Company;

"the Development Area" shall mean the land comprising of Portion 318 of the Farm Roodeplaat 293 JR, Gauteng Province;

"the Developer" shall mean Pebble Rock Properties (Pty) Ltd or their successors-in-title as developers of the project Pebble Rock Golf Village;

"the Directors" shall mean the Directors of the Association from time to time;

"Dwelling" shall mean a residential house of not less than 200 m² constructed on a Property;

"the Estate" shall mean the Township known as Pebble Rock Golf Village as indicated on the General Plan;



"Erf" shall mean any portion of the Development Area including any subdivision or consolidation thereof but excluding erven 301, 302 and 307 as indicated on the General Plan;

"Estate Manager" shall mean the Estate Manager appointed by the Managing Agent;

"Financial Year" shall mean the Financial Year of the Association which shall run from the 1st day of March in any year to the last day of February in the subsequent year;

"Gatehouse" shall mean the main building, gates, walls, equipment and garden erected at the entrance leading to the Estate and situated on Portion 14 (a portion of portion 110) of the Farm Kameelfontein 297;

"General Meeting" shall mean an Annual General Meeting or a General Meeting of the Association or any adjournment thereof, as the case may be;

"General Plan" shall mean General Plan No 6911/2003;

"Golf Course" shall mean the Pebble Rock Golf Course, privately owned and constructed within the Township, indicated as erven 301 and 302 on the General Plan;

"House Rules" shall mean the House Rules made by the Directors and/or the Members at General Meetings;



"in writing" shall mean written, printed or lithographed, or partly one and partly another, and any other modes of representing or reproducing words in a visible form;

"the Local Authority" shall mean the Nokeng Tsa Taemane Local Municipality;

"Managing Agent" shall mean the Managing Agent appointed by the Association to manage the Estate on behalf of the Association, at the cost of the Association;

"Member" shall mean each owner of a Property in the Township which includes natural persons, companies, close corporations or any other bodies corporate or statutory bodies or partnerships or any trustee/s of a trust or voluntary associations;

"Minutes" shall mean the Minutes of a General Meeting or a Directors' Meeting as the case may be;

"Month" shall mean a calendar month;

"the Office" shall mean the Registered Office of the Association;

"Open Space" shall mean Erven 303 and 304 as indicated on the General Plan;

"Property" shall mean any Erf indicated as Erf 1 up to and including Erf 300 on the General Plan or any subdivision or consolidation thereof and includes all improvements thereon;



"Register" shall mean the Register of Members kept at the Office;

"Registrar" shall mean the Registrar of Companies;

"Resident Member" shall mean a Member to whom the Local Authority has issued an occupancy certificate pertaining to his Dwelling constructed on his Property in the Township;

"Roads" shall mean any Road outside the boundaries of the Development Area constructed within the perimeter fence surrounding the Golf Course, Burkea Park and the Township;

"Secretary" shall mean the Secretary of the Association for the time being;

"Services" shall mean the provision of water, security, sewerage, electricity, drainage, telecommunications, refuse removal, fire fighting, transport and such other utilities and amenities as may be provided by the Association;

"Special Resolution" shall mean a Special Resolution passed in terms of Section 199 of the Companies Act;

"the Statutes" shall mean collectively the Memorandum of Agreement and these Articles of Association of the Company in force from time to time;

"Streets" shall mean the streets which have been constructed in the

Township and indicated as Erven 305 and 306 on the General Plan.

"Access Erf" shall have a similar meaning;



"Township" shall mean the Township Pebble Rock Golf Village comprising the Development Area;

"Year" shall mean a calendar year;

"Water Service Provider" shall mean the Association duly nominated from time to time by the Local Authority in terms of the Water Services Act No 8 1997 to act as Water Service Provider and to provide water services in terms of the aforementioned act to its Members, the Members of Burkea Park, Portion 110 of the Farm Kameelfontein 297, Golf Course and the Club House, or to any other entity designated by the Local Authority;

In these Articles:

- 1.2 the clause headings are for convenience and shall be disregarded in construing these Articles;
- 1.3 unless the context clearly indicates a contrary intention
 - 1.3.1 the singular shall include the plural and *vice versa*;
 - 1.3.2 a reference to any one gender shall include the other genders;
 - 1.3.3 a reference to natural persons includes legal persons and *vice versa*;
 - 1.3.4 the words "power(s)" and "authority(ies)" shall be interpreted as extensively as possible;
 - 1.3.5 reference to any provision of the Act shall include such provision as may be modified or re-enacted from time to time.



- 1.4 subject to the preceding clause, any words or expressions defined in the Deeds Registries Act No 47 of 1937 shall, unless the context otherwise requires, bear the same meaning in these Articles;
- 1.5 words and expressions defined in any clause herein shall, for the purpose of that clause and in subsequent clauses, unless inconsistent with the context, bear the meaning assigned to such words and expressions in the clause in question;
- 1.6 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 Act and these Articles;
- 1.7 unless Clear Days are prescribed in these Articles, any number of days prescribed in these Articles, shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or proclaimed public holiday in the Republic of South Africa, in which event the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday;
- 1.8 expressions defined in the 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;
- 1.9 where figures are referred to in words or in numerals and there is any conflict between the two, the words shall prevail;



- 1.10 any annexures to these Articles are deemed to be incorporated and form part of these Articles.

2. PRELIMINARY

- 2.1 If the provisions of these Articles are in any way inconsistent with the provisions of the Act, the provisions of the Act shall prevail, and these Articles shall be read in all respects subject to the Act.
- 2.2 Notwithstanding the omission from these Articles of any provision to that effect, the Company may do anything which the Act empowers a Company to do, unless contradictory to these Articles of Association;

3. OBJECTS AND RESPONSIBILITIES OF ASSOCIATION

- 3.1 It is recorded that the whole Estate is of a homogenous nature and that notwithstanding the fact that Members hold title to their Properties individually, the Association, through its Directors, shall have all the powers that are necessary to accomplish the fulfillment of all objectives of the Association, including, but not limited to the powers specifically contained in these Articles.
- 3.2 The Association shall have the following objectives and responsibilities:
- 3.2.1 to act as a Homeowners' Association incorporated in terms of Section 21 of the Companies Act for the Township;
 - 3.2.2 to act as Water Service Provider as prescribed in the Water Services Act;



- 3.2.3 to enter into agreements for the provision of any Services with any competent authority or any other third party, *inter alia* including the provision of access to the Township, water, electricity and sewerage services to the Association and where required to supply such Services to the various Members of the Association;
- 3.2.4 to administer and enforce the architectural and development guidelines, as well as the House Rules;
- 3.2.5 to control and monitor the registration of transfers of Erven and/or Properties in the Township and ensure compliance within the Township with all conditions imposed by the Local Authority when approving the rezoning and/or subdivision of the Property/ies comprising the Development Area;
- 3.2.6 to maintain, repair, keep up, improve, control, manage and administer all Open Spaces, Services, security control rooms, the Common Property, Streets, water reticulation and meters, storm water systems and any combined private sewer systems, perimeter wall, Street/area lighting, electrical fencing, guardhouses, Gatehouses, exterior of any buildings, structures, erections or other improvements on the Common Property, entrance and/or any security areas or security measures, payment of all rates and taxes and any other Local Authority charges, for the supply of electric current, gas, water, fuel and/or sanitary services or telecommunication services to any Property in the Township and any premiums of insurance and for the discharge of any salaries, wages, charges, services hired



and/or contracted and/or any other expenses or commitments of the Association and for the discharge of any duty or fulfillment of any other obligation of the Association;

3.2.7 the right to impose levies upon the Members of the Association for the purpose of meeting all the expenses that the Association has incurred or to which the Directors reasonably anticipate the Association will incur in the attainment of the objects of the Association or the pursuit of its business;

3.2.8 to ensure that all provisions of these Articles are complied with by all Members/parties bound thereby;

3.2.9 to promote, advance and protect the interest of the Golf Course;

4. MEMBERS

4.1 Membership of the Association shall be obligatory for and limited to any person who is in terms of the Deeds Registry Act reflected in the records of the Pretoria Deeds Office concerned as the registered owner of any Property in the Township;

4.2 Only owners of Properties in the Township shall qualify as Members of the Company.

4.3 Where any Property is owned by more than one person, all the Registered owners of such Property shall together be deemed to be one Member of the Association.



- 4.4 The Board shall admit to membership such companies, organizations or persons as may become eligible for membership from time to time, all of whom shall on such admission be Members of the Company in accordance with the provisions of these Articles.
- 4.5 All persons or corporations eligible as Members shall therefore be entered as Members of the Company in the Register.
- 4.6 Every Member of the Company shall have the right to vote at meetings of the Company and shall have one vote for every Property he owns in the Township.
- 4.7 Every Member, as from date of registration of the Property into his name, undertakes to contribute to the funds of the Company for each year or such other period as the Members shall from time to time decide in General Meetings or as determined from time to time by the Directors, his proportionate share of the total financial requirements of the Company in order to enable the Company to fulfill its obligations and functions and to meet its commitments in accordance with and in complying with its stated main business and object, described in the Statutes.
- 4.8 Notwithstanding anything to the contrary contained in these Articles full levies and charges shall be payable for each stand and if two stands are to be consolidated after the registration of these Articles, which consolidation may not be done without the express written permission of the Association, two levies are payable provided that the consolidated levy shall only represent and entitle the registered owner of the consolidated erven to one vote.



- 4.9 Every Member shall, if he should decide to transfer ownership of his Property, cease to be a Member of the Company once the new owner of the Property has become a Member as provided in Article 4.10 hereinafter.
- 4.10 Every Member shall, when he agrees to transfer ownership of his Property, set it as a condition that the new owner on date of transfer into his name, shall become a Member of this Company, accepting his obligations towards the Company as Member and should any Member who so transfers, fail to ensure that the new owner of the said Property becomes a Member, then he shall remain liable for his portion of all the debts and liabilities of the Company as provided for elsewhere in the Statutes, irrespective of whether such debts and liabilities were incurred after the transfer of the relevant Property from the name of the Member, or not.
- 4.11 Each Member is entitled to be a Director of the Board of the Company if elected to fill such position in a General Meeting or if elected by the Board of Directors to fill a casual vacancy.
- 4.12 The Company shall be entitled to demand payment of contributions referred to in Article 4.7 hereinbefore within 7 (seven) days of notifying all Members thereof following a decision properly taken in respect of the amount(s) to be contributed and authorizing the collection of the contributions from a date prior to or on the date of the notice, and should payment not be made by any Member, the Company shall be entitled to legal recourse in order to collect the required contributions from such Member, and that Member shall be responsible for all the Company's legal costs necessitated by his non-payment on the scale and basis set out in Article 32 herein later.



- 4.13 No owner of a Property shall be entitled to dispose thereof to any other person or body without the written consent of the Company under the hand of its Secretary or other duly appointed agent or the Managing Agent, which consent may not be withheld unless:
- 4.13.1 such owner is in arrears with any payment due to the Company in terms of these Articles or otherwise;
 - 4.13.2 the proposed transferee has not agreed to become a Member of the Company;
 - 4.13.3 such owner has, after notice by the Company, failed to comply with any of the conditions of the agreement of sale by virtue of which he acquired the Property or any provision of these Articles or any rules made there under.
- 4.14 The provisions of Article 4 shall apply *mutatis mutandis* to any alienation of an undivided share in a Property.
- 4.15 These Articles shall also bind any person occupying any Property and no Member shall let or otherwise part with the occupation of his Property whether temporarily or otherwise unless the proposed occupier has agreed to be bound by these Articles.
- 4.16 To ensure compliance with Article 4.15 each Member shall, if he leases out any Property:



- 4.16.1 enter into a written lease with the tenant in which the tenant is required to accept compliance with the House Rules, and to give an undertaking that he will abide by the House Rules, and in which the tenant is required to report to the Association and Register his full details for security reasons prior to the taking of occupation;
- 4.16.2 be responsible to ensure that the tenant registers himself with the Association prior to taking occupation.
- 4.17 A Member shall not without the prior written consent of the Association, who in granting or refusing such consent shall act in its absolute discretion, apply to the Local Authority or any other relevant authority for the subdivision or consolidation or rezoning of a Property(ies) owned by the Member, or make application for any consent, use or waiver or departure or any other dispensation whatsoever in respect thereof.
- 4.18 Members shall be liable for and pay all legal costs on the scale and basis set out in Article 32 herein later, as well as expenses and charges incurred by the Association in obtaining the recovery of arrear levies, fines and/or penalties, or any other arrear amounts due and owing by such Member to the Association.
- 4.19 Members shall not be entitled to a refund of contributions lawfully levied upon them and duly paid by them and no portion of the profits or gains of the Association shall be distributed to any Member.



5. MEMBERSHIP REGISTER

The Association shall hold a Register of its Members which will contain the following information, which information the Members are obliged to furnish to the Association on its request:

- 5.1 the names, addresses and contact details including e-mail addresses of the enrolled Members;
- 5.2 the date of such enrolment;
- 5.3 the date of resignation and/or the date upon which any Member has ceased to be or restricted from being a Member of the Association;

6. CESSATION OF MEMBERSHIP

- 6.1 No Member ceasing to be a Member of the Association for any reason, nor such Member's, executors, curators, trustees or liquidators, shall have any claim upon or interest in or rights to the funds or other property or Erven of the Association.
- 6.2 The Association may claim from any Member or his estate any arrear levies and interest or other sums due from him to the Association at the time of his ceasing to be a Member.



7. GENERAL MEETINGS

- 7.1 The Company shall hold Annual General Meetings within 9 (nine) months after the end of every ensuing Financial Year but no more than 15 (fifteen) months shall elapse between the date of one meeting and the next.
- 7.2 The Company shall describe Annual General Meetings as such in the notices, calling such meetings.
- 7.3 Other General Meetings of the Company may be held at any time.
- 7.4 The Directors may, whenever they think fit, convene a General Meeting.
- 7.5 The Directors shall, on a requisition by no less than 1/20 (one twentieth) of the Members, who have a right to vote at General Meetings, issue a notice within 14 (fourteen) days of the lodging of the requisition to all Members, convening a General Meeting of the Company for a date not less than 21 (twenty one) days and not more than 35 (thirty five) days from the date of the notice.
- 7.6 The requisition shall state the objects of the meeting and shall be signed by the requisitionists and lodged at the Office of the Company.
- 7.7 If the Directors do not, within 14 (fourteen) days from the date of the lodging of the requisition, issue a notice as required by Article 7.5 hereinbefore, the requisitionists whom shall not be less than 1/20 (one twentieth) of the Members entitled to vote at General Meetings, may themselves on 21 (twenty one) days' notice convene a meeting, stating the objects thereof, but no meeting so convened shall be held after the



expiration of 3 (three) months from the date of lodging of the requisition at the Office.

7.8 Any reasonable expense incurred by the requisitionists by reason of the failure of the Directors, duly to convene a meeting, shall be repaid to the requisitionists by the Company.

7.9 Every meeting of Members shall, unless otherwise resolved by the Directors, be held in the city or town in which the Office is for the time being situated.

8. NOTICE OF GENERAL MEETINGS

8.1 Subject to the provisions of Section 186(3) of the Act relating to meetings of which special notice (28 days) is required to be given, an Annual General Meeting and a meeting called for the passing of a Special Resolution shall be called by at least 21 (twenty-one) Clear Days' Notice in writing, and a meeting of the Company, other than an Annual General Meeting or a meeting for the passing of a Special Resolution, shall be called by at least 14 (fourteen) Clear Days' Notice in writing.

8.2 The notices shall specify the place, the day and the hour of the meeting.

8.3 In the case of a meeting called for the passing of a Special Resolution, the notice must specify the intention to propose the resolution as a Special Resolution, the terms and effect of the resolution and the reasons for it.

8.4 In the case of special business (see Article 9.1 herein), the general nature of the business must be set out in the notice to enable every Member,



entitled to vote on General Meetings, to determine whether he ought to attend the meeting, make further enquiries or leave it to the other Members to determine the matter on his behalf, but in case of the latter a Member shall be content and bound by the vote of the majority Members present in person or by proxy on General Meetings;

- 8.5 Notices must be given in a manner mentioned in these Articles or in such other manner, if any, as may be prescribed by the Company at a meeting of Members, to such persons as are, under these Articles, entitled to receive such notices from the Company: provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified hereinbefore, be deemed to have been duly called if it is so agreed by a majority in number of the Members having a right to attend and vote at the meeting and who hold not less than 95 (ninety five) per cent of the total voting rights of all the Members.
- 8.6 Whenever notice of a meeting is given pursuant to these Articles, the Association shall forward a copy thereof to the Auditors and to the Estate Manager.
- 8.7 The accidental omission to give notice of a meeting to, or, where applicable to send an instrument of proxy therewith, or the non-receipt of notice of a meeting by any person entitled to receive notice or the late receipt thereof shall not invalidate the proceedings of that meeting.

9. PROCEEDINGS AT MEETINGS OF MEMBERS

- 9.1 The Annual General Meeting shall deal with and dispose of all matters prescribed by the Act, including the consideration of the annual financial



statements, the election of Directors and the appointment of an Auditor, and may deal with any other business laid before it. All other business laid before any other General Meeting shall be considered special business.

- 9.2 The Annual General Meeting shall also consider the levy imposed by the Directors and may deal with any other business laid before it.
- 9.3 Special business may be transacted at any meeting of Members only while a quorum is present.
- 9.4 Save as herein otherwise provided, the quorum at a meeting of Members shall be 50 (fifty) Members entitled to vote, personally present or by proxy or represented, if a Member is a body corporate.
- 9.5 In the case where a Special Resolution is proposed to be passed on any General Meeting of which no less than 21 (twenty one) Clear Days' Notice has been given, the quorum shall be not less than 1/4 (one quarter) of all the Members of the Company entitled to vote at General Meetings. Provided that a Special Resolution shall only be passed if not less than 3/4 (three quarters) of the number of Members present in person or by proxy and entitled to vote at such a meeting or postpone meeting, vote in favour of the Special Resolution.
- 9.6 A meeting at which there is no quorum is incompetent to deal with any of the intended business.
- 9.7 Notwithstanding anything to the contrary contained in these Articles, if within 15 (fifteen) minutes from the time appointed for the meeting a



quorum as provided for in Article 9.4 and 9.5 hereinbefore is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or, if that day be a public holiday, to the next succeeding day other than a public holiday, and if at such adjourned meeting a quorum is not present within 15 (fifteen) minutes from the time appointed for the meeting then, subject thereto that at least 3 (three) Members are present, the Members present shall be a quorum.

- 9.8 The Chairman, if any, of the Board of Directors shall preside as Chairman at every meeting of Members of the Company. If there is no such Chairman or vice-chairman, or if at any meeting neither of them is present within 15 (fifteen) minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the Members present shall choose some Director, or if no Director is present, or if all the Directors present decline to take the chair, they shall choose some Member present to be Chairman of the meeting.
- 9.9 The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned as a result of a direction given in terms of any applicable provision in the Act (Section 199 (2) (a)), notice of the adjourned meeting shall be given in the manner prescribed by such provision (Section 192 (2)) but, save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.



9.10 At a General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded before or immediately after the declaration of the result of the show of hands:

9.10.1 by the Chairman of the meeting; or

9.10.2 by not less than 15 (fifteen) members personally present or by proxy having the right to vote at the meeting;

9.11 Unless a poll is demanded a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, an entry to that effect in the Minute book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, such resolution.

No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

9.12 In the case of an equality of votes, the Chairman of the meeting shall not be entitled to a second or casting vote.



10. VOTES OF MEMBERS

- 10.1 Every individual Member present in person or by proxy and entitled to vote at a General Meeting shall have one vote for each and every Property Registered in his name.
- 10.2 All co-owners shall jointly have 1 (one) vote in respect of that Property.
- 10.3 Any corporate body which is a Member may, by resolution of its directors, members or other governing body, appoint a person to act as its representative at any General Meeting of the Association.
- 10.4 Such representative shall be entitled to exercise the same rights on behalf of the corporate body which he represents as that corporate body could exercise if it were an individual who was a Member of the Association.
- 10.5 The Directors may, but shall not be obliged to require proof to their satisfaction of the appointment or authority of such representative.

11. PROXIES

- 11.1 The instrument appointing a proxy shall be in writing under the hand of the appointer or of his agent duly authorized in writing, or, if the appointer is a body corporate, under the hand of an officer or agent authorized by the body corporate.
- 11.2 A proxy needs to be a Resident Member of the Company.



- 11.3 The holder of a general or special power of attorney, given by a Member shall be entitled to attend meetings and to vote, if duly authorized under that power to attend and take part in the meetings.
- 11.4 No instrument appointing a proxy shall be valid after the expiration of 6 (six) months from the date when it was signed, unless so specifically stated in the proxy itself, and no proxy shall be used at an adjourned meeting which could not have been used at the original meeting.
- 11.5 A Member may appoint more than 1 (one) proxy to act on his behalf on the same occasion.
- 11.6 Any power of attorney and any instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney shall be deposited at the Office or at such other place within South Africa as is specified for that purpose in the notice convening the meeting, not less than 48 (forty eight) hours (excluding Saturdays, Sundays and public holidays) before the time appointed for holding:
- 11.6.1 the meeting or adjourned meeting at which the person named in such instrument proposes to vote;
- 11.6.2 a poll, where a poll is to be held after a meeting or adjourned meeting.
- 11.7 If the power of attorney or other instrument of proxy is not deposited timeously, it shall not be treated as valid.



11.8 A vote by virtue of a power of attorney or an instrument of proxy shall be valid notwithstanding the previous legal incapacity of the principal or revocation of the power of attorney or instrument of proxy, unless an intimation in writing of such legal incapacity is received by the Association at the Office not less than 24 (twenty four) hours before commencement of the meeting or the taking of the poll at which the instrument of proxy is used.

11.9 The instrument appointing a proxy shall be in the following form or as near thereto as circumstances permit:

PEBBLE ROCK GOLF VILLAGE HOMEOWNERS' ASSOCIATION			
I/We, _____	of _____		
_____ (Erf) being a member/s of Pebble Rock Golf Village Homeowners' Association hereby appoint			
_____ of _____ (Erf) or failing him			
_____ of _____ (Erf) or failing him			
_____ of _____ (Erf)			
who are Resident Members of the Association as my/our proxy to vote for me/us and on my/our behalf at the Annual General or General Meeting (as the case may be) of the Company to be held on the _____ day of _____ and any adjournment thereof as follows:			
	In favour of Against		
Resolution to: _____	<table border="1" style="width: 100%; height: 40px;"><tr><td style="width: 50%;"></td><td style="width: 50%;"></td></tr></table>		
Resolution to: _____			
Resolution to: _____			
(Indicate instruction to proxy by way of a cross in space provided above)			
Unless otherwise instructed, my/our proxy may vote as he thinks fit.			
Signed this _____ day of _____			

Signature			
<i>(Note: A member entitled to attend and vote is entitled to appoint a proxy to attend, speak</i>			



and vote in his stead, and such proxy must be a Resident Member of the Association.)"

12. BOARD OF DIRECTORS

12.1 The number of Directors of the Company appointed by the Members on General Meetings shall not be less than 3 (three) nor more than 7 (seven).

13. REMUNERATION OF DIRECTORS

13.1 The Directors shall be entitled to be repaid all reasonable and *bona fide* expenses incurred by them respectively in or about the performance of their duties as Directors and /or Chairman, and/or vice-chairman as the case may be.

13.2 The Directors shall be entitled to remuneration in respect of the performance of their duties in terms hereof as determined by the Association in General Meetings.

13.3 The Directors however, may, subject to any restriction imposed or direction given at General Meetings of the Association, 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.



14. BORROWING POWERS OF DIRECTORS

- 14.1 The Directors may in their discretion, from time to time, raise or borrow from the Members or other persons any sums of money for the purposes of the Company without limitation.
- 14.2 The Directors may secure the payment or repayment of any sums of money borrowed or raised in terms of Article 14.1 or the payment of any debt, liability or obligation whatsoever of the Company or of a third party, in such manner and upon such terms and conditions in all respects as they think fit.

15. GENERAL POWERS AND DUTIES OF DIRECTORS

- 15.1 Subject to the express provisions of the Act, Statutes and House Rules, the Directors shall manage and control the business and affairs of the Association, shall have full powers in the management and direction of such business and affairs, may exercise all such powers of the Association, and perform all such acts on behalf of the Association as may be exercised and performed by the Association as well as such acts and powers that are not required by the Act or House Rules, to be exercised or performed by the Association in General Meetings, subject nevertheless to any provisions of the Act, and to such House Rules as may be prescribed by the Association in General Meetings from time to time, provided that no House Rule made by the Association in General Meetings shall invalidate any prior act of the Board of Directors which would have been valid if such House Rule had not been made.
- 15.2 The Directors may delegate, or allocate any of their powers to committees consisting of such Member or Members of their body as they think fit; any



committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Directors. Save as aforesaid, the meetings and proceedings of a committee consisting of more than one Member shall be governed by the provisions of these Articles regulating the meetings and proceedings of Directors.

15.3 The Directors shall perform the functions entrusted to them in terms of the Statutes and the House Rules as well as any future amendments thereto and such functions shall include:

15.3.1 to determine from time to time, the estimate of income and expenditure to be levied upon Members for the fulfillment of the Association's obligations, subject to directions or restrictions and/or amendment thereof by the Members in General Meetings;

15.3.2 to collect contributions levied upon Members;

15.3.3 to open and operate an account or accounts with a Banking Institution or a Building Society or to allow a manager, to operate such an account on behalf of the Association;

15.3.4 to insure any property and/or improvements on Common Property and/or Service, such as the intercom or telecommunication service, fencing and/or security services, under the Association's control and to keep such items insured to the replacement value thereof against all risks as are deemed necessary by the Directors or as may be directed by the Members by majority resolution, from time to time;



- 15.3.5 to pay the premiums of any policy of insurance effected by it;
- 15.3.6 to properly maintain the Open Spaces, the Common Property, Streets, entrances, Gatehouses, devices, installations, plant machinery, electrical fencing, services, security control rooms, perimeter walls and all equipment under their control;
- 15.3.7 to comply with any reasonable request for the names and addresses of the Members or persons who are the Directors of the Association or who are Members of the Association;
- 15.3.8 to produce to any Member upon the written request of such Member of a Property, or any person authorized by such Member, copies of the policy or policies of insurance effected by the Association, (Minutes of Meetings of any Directors) and/or General Meetings of the Association, financial statements, copies of any other documentation ancillary to the administration of the Association, including copies of the Statutes and House Rules, against the payment of the reasonable costs pertaining to the making and producing of such documentation as may be determined by the Directors from time to time;
- 15.3.9 in general, to control, manage and administer all properties, moveable or immoveable under the Association's control, for the benefit of all Members.
- 15.3.10 within 30 (thirty) days of the holding of each Annual General Meeting, select a Chairman and/or vice-chairman, who shall hold their respective offices until the Annual General Meeting held



next after their said appointments, provided that the office of the Chairman or vice-chairman shall *ipso facto* be vacated by the Director holding such office upon him ceasing to be a Director for any reason. No one Director shall be appointed to more than one of the aforesaid offices.

- 15.3.11 have the right to engage on behalf of the Association the services of accountants, auditors, attorneys, architects, engineers, town planners, Estate Manager/s or any other professional firm or person or other employees whatsoever for any reasons deemed necessary by the Directors on such terms as the Directors shall decide.
- 15.4 The Directors shall, within 14 (fourteen) days after every determination or amendment of any levy contribution, advise each Member in writing of the amount payable by such Member, whereupon such amount shall become payable in advance, in monthly installments, on/before the 7th (seventh) day of each and every month.
- 15.5 Any contributions levied upon the Members of the Association, shall be due and payable on the passing of a resolution to that effect by the Directors of the Association and may be recovered by the Association by action in any court (including any Magistrate's Court) of competent jurisdiction from the Members who were the owners of Property in the Township, at the time when such contributions became due or from such Member's successor-in-title, as the case may be.
- 15.6 The Directors may from time to time, when necessary, impose special levies upon the Members or call upon them to make special contributions in



respect of all such expenses as are required for the fulfillment of Association's obligations, whether previously budgeted for or not, and such special levies may be made payable in one sum or in such installments and at such intervals as the Directors may direct in their own discretion and such special levies shall be levied against each Member proportionate to the number of Members.

- 15.7 The Directors shall be entitled to charge interest on any arrear contributions, at such rate as they may from time to time determine, which interest shall not exceed the limitations as may be imposed from time to time under the National Credit Act. The Directors, upon the determination of contributions payable by Members from time to time, shall notify the Members of the interest rate applicable on any arrear amounts and such rate, as may be determined and as may be amended from time to time, shall be applicable and there shall be no obligation on the Directors to inform the Members of any fluctuation in the interest rate payable, until a new determination of contributions is made and notified.
- 15.8 Without prejudice to the generality of Article 15.1, the Directors shall ensure that the contract of appointment of any Managing Agent shall include a provision to the effect that if he is in breach of any of the provisions of his contract, or if he is guilty of conduct which at common law would justify the termination of the contract between master and servant, the Association may, without notice, cancel such contract of appointment, and the Managing Agent shall have no claim whatsoever against the Association or any of the Members as a result of such cancellation.
- 15.9 The Board of Directors shall have the right to vary, cancel or modify any of its decisions and resolutions from time to time.



- 15.10 The Board of Directors may in addition to the powers conferred upon them in terms of this Article 15, make House Rules not inconsistent with these Articles or any House Rules prescribed by the Association in General Meetings, for the furtherance and promotion of any of the objects of the Association, for the better management of the affairs of the Association, for the advancement of the interest of Members, for the conduct of Directors' Meetings and General Meetings and to assist it in administering and governing its activities generally, and shall be entitled to cancel, vary or modify any of the same from time to time.
- 15.11 The Members may in General Meetings themselves make any House Rules which the Directors are entitled to make, and shall be entitled to cancel, vary or modify any House Rules made by it or by the Directors from time to time.
- 15.12 The Directors shall attend to the lodgement, at the Registrar's office, of all Special Resolutions passed by Members in General Meetings within 30 (thirty) days after the resolution has been passed.
- 15.13 Upon any vacancy occurring on the Board of Directors prior to the next Annual General Meeting, the vacancy in question shall be filled by a person nominated by the remaining Directors.
- 15.14 No Director shall be disqualified by his office from contracting with the Company in any manner whatsoever. A Director may however not derive from the Association or any one else any personal economic benefit to which he is not entitled by reason of his office as a Director if that benefit is in conflict with the Association's interests.



Furthermore, the Director must notify all the Directors, as soon as possible of the nature and extent of any direct or indirect material interest he may have in any Association contract. Should the Association realise that a Director has failed to declare his material interest in an Association contract, it is entitled, at its discretion to declare the contract to be void.

15.15 A Director may not vote nor be counted in the quorum and if he shall do so his vote shall not be counted on any resolution for his own appointment to any other office or place of profit under the Association or in respect of any contract or arrangement in which he is interested.

16. DISQUALIFICATION AND PRIVILEGES OF DIRECTORS

16.1 A Director shall cease to hold office as such if:

16.1.1 he ceases to be a Director by virtue of any of the provisions of the Act or becomes prohibited from being a Director by reason of any order made under the Act; or

16.1.2 his Estate is sequestrated or he files an application for the surrender of his Estate or an application for an administration order, or if he commits an act of insolvency as defined in the insolvency law for the time being in force, or if he makes any arrangement or composition with his creditors generally; or

16.1.3 he is found to be a lunatic or becomes of unsound mind; or

16.1.4 he is removed by a resolution of the Company as provided the Act; or



16.1.5 he resigns his office by notice in writing to the Company; or

16.1.6 he is otherwise removed in accordance with any provisions of these Articles.

17. PROCEEDINGS OF DIRECTORS

17.1 A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.

17.2 The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.

17.3 Unless otherwise resolved by the Directors, all their meetings shall be held in the city or town where the Company's Office is situated (for the time being).

17.4 Questions arising at any meeting of the Directors shall be decided by a majority of votes.

17.5 The Chairman shall not have a second or casting vote.

17.6 The Directors may determine what period of notice shall be given of meetings of Directors and may determine the means of giving such notice, which may include electronic mail, telephone, telegram, telex or telefax. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being who is absent from the Republic, but notice of



any such meeting shall be given to his alternate, if he has appointed one, provided that such alternate is in the Republic.

17.7 A quorum shall consist of 3 (three) Directors. For the purpose hereof a Director who has authorized another Director to vote for him at a meeting in terms of Article 17.10 shall, if the Director so authorized is present at the meeting, be deemed to be present himself and each Director whose alternate is present at a meeting (even if the latter is alternate to more than one director) shall be deemed to be so present.

17.8 The continuing Directors (or sole continuing director) may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as a quorum, the continuing Directors or Director may act only for the purpose of summoning a General Meeting of the Company.

If there are no Directors or Director able and willing to act, and no specific provision is made in these Articles for the appointment of Directors, then any 2 (two) Members may summon a General Meeting for the purpose of appointing Directors.

17.9 Subject to the Act:

17.9.1 A resolution in writing, including through the medium of telefax or electronic mail, signed (electronically or otherwise) by all the Directors for the time being present in the Republic and being not less than are sufficient to form a quorum shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted: Provided that where a



Director is not present in the Republic, but has an alternate who is, the resolution must be signed by that alternate.

The resolution may consist of several documents, each signed by one or more Directors or their alternates in terms of these Articles;

17.9.2 In the case of matters requiring urgent resolution or, if for any reason it is impracticable to meet as contemplated in Article 17.3 or pass a resolution as contemplated in Article 17.9.1 the meeting may be conducted and a resolution may be passed utilizing conference telephone facilities, provided that the required quorum is met.

17.10 A Director unable to attend a Directors' meeting may authorize any other Director to vote for him at that meeting, and in that event the Director so authorized shall have a vote for each Director by whom he is so authorized in addition to his own vote. If both the Director so authorized and an alternate of the Director who granted the authority are present at the meeting, the alternate shall not be entitled to vote on behalf of the absent Director. Authority in terms of this article must be in writing (which may take the form of a telegram, electronic mail, cable, telefax or telex) and must be handed to the person presiding at the meeting at which it is to be used.

17.11 The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within 15 (fifteen) minutes after the time appointed for holding it, or is unwilling to act as Chairman,



the Directors present may choose one of their number to be Chairman of the meeting.

17.12 The Directors shall cause Minutes to be taken of every Director's meeting, although not necessarily verbatim, which Minutes shall be reduced to writing without undue delay after the meeting has closed and shall then be certified correct by the Chairman of the meeting. All Minutes of Directors' meetings shall after certification as aforesaid be placed in a Director's Minutes book to be kept in accordance with the provisions of the Act relating to the keeping of Minutes of meetings of Directors of Companies. The Directors' Minute book shall be open for inspection at all reasonable times by a Director, the Auditors and the Members.

17.13 All competent resolutions recorded in the Minutes of any Directors' meeting shall be valid and of full force and effect as therein recorded, with effect from the passing of such resolutions, and until varied or rescinded, but no resolution or purported resolution of the Directors shall be of any force or effect, or shall be binding upon the Members or any of the Directors unless such resolution is competent within the powers of the Directors.

18. VALIDITY OF ACTS OF DIRECTORS AND COMMITTEES

As regards to all persons dealing in good faith with the Company, all acts performed by any meeting of the Directors or of a committee of Directors or of any executives, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified or had ceased to hold office or were not entitled to vote, be as valid as if every such



person had been duly appointed or was qualified or had continued to be a Director or was entitled to vote, as the case may be.

19. NOTICES

19.1 A notice by the Company to any Member shall be regarded as validly given if it is either delivered personally to the Member, or sent per electronic mail, or sent prepaid through the post to him at his address noted in the Register or sent by telefax to the number noted in the Register.

19.2 A Member entitled to vote shall be bound by every notice given in terms of Article 19.1.

The Company shall not be bound to enter any person in the Register until that person gives the Company an address (which includes physical, postal and/or e-mail address and/or telefax and/or telephone contact details) for entry in the Register.

19.3 Any notice, if given by post, shall be deemed to have been served (3) three days after the day following that on which the letter or envelope containing such notice is posted, and in proving the giving of the notice sent by post it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post box.

19.4 Any notice, if delivered by hand or sent by electronic mail or telefax, shall be deemed to have been served on the day it was delivered or sent.



19.5 It is the responsibility of Members to immediately notify the Association in writing should any of their contact numbers or addresses change.

20. INDEMNITY

Every Director, manager, Managing Agent and officer of the Company and every person (whether an officer of the Company or not) employed by the Company shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, manager or officer, in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under the Act or any amendment thereof in which relief is granted to him by the court.

21. WINDING-UP

Upon the winding up, deregistration or dissolution of the Association, the whole of the capital and accrued income remaining after satisfaction of all its liabilities, shall be given or transferred to some other association or institution or associations or institutions having objects similar to the Association's main object, to be determined by the Directors at or before the time of its dissolution or, failing such determinations, by the court.

22. PATRONS

The Directors may from time to time appoint patrons of the Company for periods determined by the Directors.



23. PROPERTY FORMING STREETS (ACCESS ERF) AND OPEN SPACE

- 23.1 Neither the whole nor any portion of the Streets, Erven, Roads, Open Space or other immovable structure which fall inside or outside the boundaries of the Development Area, owned by the Association, shall be sold, let or alienated or otherwise disposed of, subdivided or transferred except with the consent of a Special Resolution of the Association.
- 23.2 The properties referred to in Article 23.1 above shall not be mortgaged or subject to any rights, whether Registered in the Deeds Registry or not, save for servitudes which are for the purposes of protecting the rights of Members and ensuring that Services may be maintained and protected for the benefit of Members of the Association, without the sanction of a Special Resolution of the Association. No Member shall be entitled unreasonably to vote against any Special Resolution which may be proposed.
- 23.3 Nothing contained in these Articles shall prevent the Association from erecting, at its own cost, such buildings or making such other improvements upon the said properties referred to in Article 23.1 hereinbefore and Erven as may be permitted and subject to approval by the Local Authority.

24. ACCOUNTS

- 24.1 The Members in General Meetings or the Directors may from time to time make reasonable conditions and House Rules as to the time and manner of inspection by the Members of the accounts and books of the Association, or any of them, and subject to such conditions and House Rules, the accounts and books of the Association shall be open to the inspection of Members at all



reasonable times during business hours.

24.2 At each Annual General Meeting the Directors shall lay before the Association a proper income and expenditure account for the immediately preceding Financial Year of the Association, or in the case of the first account, for the period since the incorporation of the Association, together with a proper balance sheet made up as at the last Financial Year end of the Association. Every such balance sheet shall be accompanied by proper and extensive reports of the Directors and the Auditors and same shall be attached to the notice sent to Members convening each Annual General Meeting, as set forth in Article 19 above, copies of such accounts, balance sheet and reports all of which shall be framed in accordance with the provisions of the Act and of any other documents required by law to accompany the same.

25. AUDIT

25.1 The accounts of the Association shall be examined and the correctness of the income and expenditure account and balance sheets ascertained by the auditors at least once in every Financial Year.

25.2 The duties of the Auditors shall be regulated in accordance with the Act.

26. HOUSE RULES

26.1 Subject to any restriction imposed or direction given by the Members at a General Meeting of the Company, the Directors may from time to time make House Rules in regard to:



- 26.1.1 The preservation of the natural environment including the right to control vegetation and fauna within the boundaries of the Township;
- 26.1.2 The right to prohibit, restrict or control the keeping of any animal, which they regard as dangerous or a nuisance;
- 26.1.3 The conduct of any persons within any Property for the prevention of nuisance of any nature to any Member;
- 26.1.4 The control of the number of occupants or residents permitted on any one Property;
- 26.1.5 The right to prohibit, restrict or control exotic plants and domesticated animals and livestock;
- 26.1.6 The use by Members, the members of their households, their guests, and lessees, of the Streets, Open Space and sporting amenities, including the right to prohibit, restrict or control such use of the Streets and Open Space or any portions thereof as may from time to time be necessary or expedient;
- 26.1.7 The use of parking areas;
- 26.1.8 The use of Services, entertainment and recreation areas, amenities and facilities including the right to impose a reasonable charge for the use thereof;



- 26.1.9 The control of business premises;
- 26.1.10 The keeping of flammable substances;
- 26.1.11 The use of land within any Property or Erf in the Township;
- 26.1.12 Where a Property is owned in undivided shares, for regulating the use of such Property by the co-owners thereof and their *inter se*;
- 26.1.13 The code of conduct applicable to all builders, contractors (including sub-contractors) and suppliers within the development or any building, construction or any other work carried on within the Township;
- 26.1.14 The maintenance of all buildings, outbuildings, structures, improvements of any nature and landscaping within the Township;
- 26.1.15 The admission of any person within the Estate, and the eviction of any person not entitled to be thereon;
- 26.1.16 The accrediting of Estate Agencies and Estate Agents and to impose accreditation fees on Estate Agencies and Estate Agents;
- 26.1.17 The furtherance and promotion of any of the objects of the Association and/or for the better management of the affairs of the Association and/or for the advancement of the interests of the Members and/or the residents within the Estate;



27. ENFORCEMENT OF HOUSE RULES

27.1 For the enforcement of any of the House Rules, the Directors may:

27.1.1 Give notice to the Member concerned requiring him to remedy such breach within a reasonable period as the Directors may determine;

27.1.2 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, and debit the cost of so doing to the Member concerned, which amount shall be deemed to be a debt owing by the Member concerned to the Company; and/or

27.1.3 Impose a system of fines or other penalties. The amounts of such fines shall be reviewed and confirmed at each Annual General Meeting of the Company; and/or

27.1.4 Debit such fines or penalties to a Member's account which amount shall be deemed to be a debt owing by the Member concerned to the Association;

27.1.5 Take such action including proceedings in Court, as they may deem fit.

27.2 Subject to Article 32 and in the event of the Directors instituting any legal proceedings, irrespective of whether such proceedings are instituted out of the High Court or Magistrates Court, against any Member or resident on a Property for the enforcement of any of the rights of the Company in terms



hereof excluding a collection matter, the Company shall be entitled to recover all legal costs so incurred from the Member or resident concerned, calculated on the scale as between attorney and client.

- 27.3 In the event of any breach of the rules by the Members of any Member's household or his guests or lessees, such breach shall be deemed to have been committed by the Member himself, but without prejudice to the foregoing, 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.
- 27.4 In the event of any Member disputing the fact that he has committed a breach of any of the rules, a committee of three Directors appointed by the Chairman for the purpose shall adjudicate upon the issue at such time and in such manner and according to such procedure [provided that natural justice shall be observed] as the Chairman may direct.
- 27.5 Any fine imposed upon any Member shall be deemed to be a debt due by the Member to the Company and shall be recoverable by ordinary civil process.
- 27.6 Notwithstanding anything to the contrary herein contained, the Directors may in the name of the Company enforce the provisions of any rules by civil application or action in a court of competent jurisdiction and for this purpose may appoint such attorneys and counsel as they may deem fit.



28 DISPUTES

- 28.1 Any dispute arising out of or in connection with these Articles must be determined in terms of this Article, except when an interdict is sought for urgent relief which may be obtained from a court of competent jurisdiction, in the case of a collection matter arising out of non-payment of levies and/or penalties and/or fines or for the collection of any amount debited to a Member's levy account or if it is stated otherwise in these Articles.
- 28.2 On a dispute arising, the party who wishes to have the dispute determined must notify the other party thereof. Unless the dispute is resolved between the parties to that dispute within 14 (fourteen) days of such notice, either of the parties may refer the dispute to determination in terms of this Article.
- 28.3 If a party exercises his right in terms of this Article to refer the dispute for determination, such dispute shall be referred to the following who shall in each case have a minimum of 10 (ten) years' experience in their field:
- 28.3.1 if the dispute is primarily an accounting matter, a practising chartered accountant;
 - 28.3.2 if the dispute is primarily a legal matter, a practising attorney or advocate;
 - 28.3.3 if the dispute is primarily a matter relating to the measurement in any way of any building construction or any aspect thereof, a practising quantity surveyor or architect;



- 28.3.4 if the dispute is primarily a matter relating to any defect in any building construction, a practising engineer;
- 28.3.5 if the dispute relates to any other matter, such other independent and suitably qualified person.
- 28.4 If the parties are unable to agree either on the person referred to in this Article or on the classification of the dispute within a period of 7 (seven) days of either party having given notice to the other, proposing an appointee or alternative appointees, then the person in question shall be nominated by the President for the time being of the Law Society of the Northern Province or its successor/s.
- 28.5 Any person agreed upon and nominated as aforesaid ("the expert"), shall in all respects act as an expert and not as an arbitrator.
- 28.6 The proceedings shall be on an informal basis, it being the intention that a decision should be reached as expeditiously as possible, subject only to the due observance of the principles of justice.
- 28.7 The parties shall use their best endeavours to procure that the decision of the expert shall be given within 21 (twenty one) days or so soon thereafter as possible, after it has been demanded.
- 28.8 The decision of the expert shall be final and binding upon all parties and capable of being made an order of court on application by any of them.



- 28.9 The costs of and incidental to any such proceedings, including the fees of the expert, shall be in the discretion of the expert who shall be entitled to direct the allocation of the costs, and whether they shall be taxed as between party and party or as between attorney and client.
- 28.10 The provisions of this Article constitute the irrevocable consent of the parties to any proceedings in terms thereof and none of the parties shall be entitled to withdraw there from or claim in any such proceedings that it is not bound by such provisions.
- 28.11 The provisions of this clause shall be deemed to be severable from the rest of these Articles and shall remain binding and effective as between the parties notwithstanding that these Articles may otherwise be cancelled or declared of no force and effect for any reason.

29. BUILDING AND BUILDING COMMITTEE

- 29.1 A building committee may be established by the Board of Directors or under Article 15.2 which shall consist of at least one architect or designer appointed by the Board of Directors, two nominees of the Board of Directors and the Estate Manager.
- 29.2 The duties of the building committee shall be to ensure compliance with the building regulations and to formulate and amend such building regulations which shall include the following:
- 29.2.1 Approve all building plans in conjunction with the Local Authority or such other Local Authority having control over the Estate.



- 29.2.2 Impose such height restrictions as it deems necessary in order to ensure that the views and residential amenities of each Property are not unreasonably affected by the buildings on any particular Property.
- 29.2.3 To ensure that a high quality of building standards is maintained in the Estate and generally to impose such additional regulations as may be necessary to ensure such quality.
- 29.3 The building committee and/or architect and/or designer shall be entitled to charge a fee for the approval of building plans which shall be payable by the owner submitting building plans for approval.
- 29.4 No building operations shall be carried on save strictly in accordance with an approved plan.
- 29.5 Members shall commence construction on their Properties within 3 (three) years after registration of first transfer of the Property from the Developer or by no later than 31 December 2008, whichever occurs last, unless an extension is allowed by the Association.
- 29.6 Notwithstanding the provisions of Article 29.5 above, Members who took transfer of their Properties from an owner other than the Developer, shall commence construction thereon within 1 (one) year after registration of the said transfer or by no later than 31 December 2008, whichever occurs last, unless an extension is allowed by the Association.



- 29.7 Each respective dwelling shall be completed within 12 (twelve) months of the date of the commencement of construction. A dwelling shall be deemed to be complete on the date that the Local Authority issues an occupation certificate for the specific dwelling.
- 29.8 Should any Member fail to comply with the provisions of Article 29.5 or 29.6 and/or 29.7, as the case may be, the Association shall be entitled to impose double the amount of levies due by such Member for each month for which the Member is in breach of the provisions of the aforementioned Articles alternatively the Directors may impose a system of fines to be reviewed and confirmed at Annual General Meetings.
- 29.9 The building committee shall, on written request, supply any owner with the particulars of the architectural theme, building specifications and schedule of finishes which shall be binding on all Members.
- 29.10 The building committee shall be entitled, from time to time, to impose additional regulations or to amend the existing regulations, subject to directions or restrictions and amendment thereof by the Board of Directors and/or Members in General Meetings in order to ensure that a high quality of building standards and aesthetics is maintained.
- 29.11 The aforesaid regulations shall be subject to whatever building restrictions are imposed by the Directors and/or building committee and Members shall be deemed to have agreed to be bound by such requirements.



29.12 No Member shall be entitled to occupy the dwelling on his Property without an occupation certificate having been issued by the Association and the Local Authority.

29.13 Each Member shall ensure that his building site is reasonably tidy and free from rubble and other building material, which may be unsightly, during the construction phase of the dwelling.

Failure to adhere to a written notice from the Association and to comply therewith may result in the Directors imposing a fine of R2000.00 per month for each month, or part thereof, in which the Member does not adhere to the notice.

30. GENERAL

30.1 Notwithstanding anything to the contrary contained in these Articles, whenever the Directors consider that the appearance of any Property or building in the Estate vested in a Member is deemed to be unsightly or injurious to the amenities of the surrounding area or the Estate generally, they may serve notice on such Member to take such steps as may be specified in the notice to eliminate such unsightly or injurious condition. Should the Member fail within a reasonable time, to take such steps as may be specified in such notice, to comply therewith, the Directors and/or their agents may enter upon the land or buildings concerned and take such steps as may be necessary, and recover the costs thereof from the Member concerned, which costs shall be deemed to be a liquid amount owing to the Association. The foregoing action shall include obtaining the services of a garden service company to cut the grass on vacant stands or any other service deemed necessary to remedy any breach or set right any contravention of the House Rules.



- 30.2 The Directors shall be obliged in giving such notice to act reasonably. In the event of any dispute, the Member shall bear the onus of establishing that the Directors acted unreasonably.
- 30.3 The Member accepts applicability and enforceability of the House Rules of the Association and undertakes to abide by such House Rules.
- 30.4 Any person using any of the Services, land or facilities of the Association does so entirely at his own risk.
- 30.5 The Association may at its pleasure permit the Members subject to the provisions of these Articles to use the Open Space and Streets, and shall do so unless by Special Resolution taken at a General Meeting called for the aforementioned purpose, it is otherwise resolved, for good reason.
- 30.6 The Association may from time to time and whenever they deem it necessary, limit, restrict or suspend such use in relation to any part or such Roads and Open Space for good reason.

31. ALTERATION OF STATUTES

The Association may, subject to the provisions of Section 55(1) of the Act, alter its Memorandum of Association with respect to the objects and powers of the Association and subject to Section 62 of the Act, alter or add to its Articles; and any alteration or addition so made shall be as valid as if originally contained herein, and be subject in like manner to alteration by Special Resolution.



32. LEGAL FEES

32.1 Save for Article 27.2, hereinbefore, in the event of the Company instituting any legal proceedings against any Member or resident on a Property for the collection of arrear levies, or arrear fines or penalties or any other arrear amounts due and owing by such Member to the Association, the Company shall be entitled to recover all legal costs and expenses incurred from the Member or resident concerned, calculated as between attorney and own client as set out in a fee agreement entered into between the Company and the appointed Attorney's firm from time to time. The fee structure set out in the fee agreement shall be according to the Tariff C – scale as set out in the Magistrates Court Act 32 of 1944 and on a defended basis irrespective of the quantum of the claim and whether the matter is defended or not, subject to the following:

- 32.1.1 In any instance where processes could not be served by foot messenger, a traveling fee of R4.00 per kilometer will be charged together with an attendance fee of R85.00 per quarter of an hour or portion thereof.
- 32.1.2 Correspondence will be charged at R30.00 per page letter/fax received and R40.00 per letter/fax sent.
- 32.1.3 Court enquiries will be attended to at R150.00 per Court query.
- 32.1.4 Section 65 attendance will be dealt with on the basis that where a Member is present and makes an offer or the matter is postponed, a fee of R350.00 will be charged, per appearance.



- 32.1.5 In the event of a formal Section 65 enquiry being held, this will be charged for on an attorney/client time basis.
- 32.1.6 Court attendances for unopposed Applications will be charged for at R350.00 per appearance.
- 32.1.7 In the event of Applications being opposed, same shall be charged for on an attorney/client time basis and preparation in respect thereof will be charged on the same basis.
- 32.1.8 Fees charged for trials shall be charged on an attorney/client time basis.
- 32.1.9 Tracing costs and collection commission shall be charged at the rate of 10% per payment subject to a maximum of R350.00 per payment
- 32.1.10 All copies made shall be charged for at the rate of R2.50 per copy.
- 32.1.11 Electronic Deeds and Company Searches shall be attended to at R60.00 per search.
- 32.1.12 Masters, Deeds and Company Office attendances shall be charged on an attorney and client time basis.

32.2 The aforementioned fees exclude VAT.



32.3 The Company will enter into a fee agreement with its duly appointed attorneys to the effect that:

32.3.1 the attorney shall not be allowed to charge a higher fee than what is prescribed in this Article 32 and/or;

32.3.2 in the event that a bill of costs has been taxed according to this Article 32, the attorney will only be able to claim the amount;

32.3.3 all Members shall be bound by the terms and conditions of the fee agreement;

32.4 The effect and purpose of the fee agreement shall be:

32.4.1 to mitigate the Companies legal expenses in that an attorney in terms of the agreement shall only be allowed to claim or recover his allowable or taxed fees from a Member and not from the Company;

32.4.2 to fix the attorney/client time rate

32.5

32.5.1 The Association shall be entitled to add such legal costs and expenses as may be incurred to a Member's levy account on the date that such costs are incurred by the Association;

32.5.2 In the event that a Member should dispute that such costs have in fact been incurred or are reasonable, such dispute shall not effect a Member's liability to make payment of such costs on demand but, in the event that the amount claimed in respect of



such costs should be reduced either by agreement, taxation or otherwise a Member shall be entitled to claim repayment of any balance due only after such reduction has taken place.

32.5.3 Members agree that any payment made after legal action has been instituted by way of demand or by legal process shall be apportioned first towards collection commission for which the Members agree to be liable, legal costs, interest and thereafter towards arrear levies.

32.6 The Members agree that a certificate signed by a Director of the Association, or the Estate Manager or a duly authorised agent of the Association, showing the amount owed to the Association in respect of levies, penalties, fines and any other costs due by a Member to the Association, together with interest thereon shall be sufficient and satisfactory proof for all purposes including but not limited to insolvency, legal proceedings and the obtaining of default or summary judgment.

33. DOMICILIUM ADDRESS

33.1 Members choose as their respective *domicilii citandi et executandi*, for the purpose of giving any legal notice and/or the service of any legal process, the address furnished by each Member to the Association which address has been noted in the Membership Register referred to in Article 5 hereinbefore, provided that should Members fail to furnish the Association with an address, such Members shall be deemed to have accepted their *domicilii* at the address of the Property or any one of the Properties the Members own in the Estate.



33.2 Members shall notify the Association in writing should their *domicilium citandi et executandi* change.

