



CONSTITUTION OF THE HOMEOWNERS' ASSOCIATION

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1. INTERPRETATION

- 1.1 In these rules, unless inconsistent with or otherwise indicated by the context –
- 1.1.1 “**Architectural Guidelines**” means the general and specific architectural guidelines of the Development from time to time comprising, *inter alia*, the sketch plan submission requirements, Council Plan Approval as well as all the landscaping requirements.
 - 1.1.2 “**The Association**” means the Oceans on 8th Homeowners’ Association.
 - 1.1.3 “**Chairman**” means the Chairman of the Trustees of the Association appointed in terms of the Constitution from time to time.
 - 1.1.4 “**Constitution**” means this Constitution read with the Memorandum of Incorporation once adopted.
 - 1.1.5 “**Consulting Architects**” means the Architects appointed as such by the Developer and at present Pierre Du Randt.
 - 1.1.6 “**Contractors Code of Conduct**” means the general and specific rules applicable to all contractors which form part of this Constitution.
 - 1.1.7 “**Developer**” means Eco-Green Developments (Pty) Ltd (Reg. no. 2017/509857/07), a Company duly registered as such in terms of the Companies Act, as amended.
 - 1.1.8 “**Development period**” means the period from the establishment of the ASSOCIATION until the issue of an Occupation Certificate in respect of the final dwelling within the development in accordance with the approved master plan or subsequent amendments thereto.
 - 1.1.9 “**The Development**” means the Oceans on 8th Development, but excluding public roads.
 - 1.1.10 “**The Manager**” means the person appointed to that office by the Association from time to time.
 - 1.1.11 “**Municipality**” means the George Municipality.
 - 1.1.12 “**Member**” means a member of the Association.
 - 1.1.13 “**Owner**” or “**homeowner**” means the registered owner of a dwelling within the development.
 - 1.1.14 “**Resident**” means any person who is resident in the Development and includes members of their family, their guests, and tenants.
 - 1.1.15 “**The rules**” means the rules contained in this document and as amended or imposed separately by the Association from time to time.
 - 1.1.16 “**Vehicle**” means any form of conveyance, whether self-propelled or drawn by machine, animal or otherwise.
 - 1.1.17 “**Workers**” means domestic workers, labourers and subcontractors employed or appointed by owners and/or residents.
 - 1.1.18 any reference to the singular includes the plural and *vice versa*.
 - 1.1.19 any reference to natural persons includes legal persons and *vice versa*.

- 1.1.20 any reference to gender includes both genders.
- 1.1.21 words and phrases defined in the Constitution bear corresponding meanings herein.
- 1.1.22 the clause headings are for convenience and shall be disregarded in construing this constitution.
- 1.1.23 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.
- 1.1.24 When any number of days is prescribed in this constitution, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or proclaimed a 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.
- 1.1.25 Where figures are referred to in words and numerals and if there is any conflict between the two, the words shall prevail.
- 1.1.26 Any provision of this constitution is in conflict or inconsistent with any law of the Republic of South Africa, the invalidity of any such provision shall not affect the validity of the remainder of the provisions of this constitution.
- 1.1.27 If any provision in a definition in the constitution is a substantive provision conferring rights or imposing obligations on any of the members then, notwithstanding that it is only in the definition clause of this constitution, effect shall be given to it as if it were a substantive provision in the body of this constitution.
- 1.1.28 The annexures to this constitution are deemed to be incorporated in and form part of this constitution.
- 1.1.29 All references to the provisions of the Companies Act are in respect of procedural and accounting matters of the ASSOCIATION only and should be read with any changes required by the context.

2. INTRODUCTION

- 2.1 Oceans on 8th Development (“the Development”) is a prestigious development designed to promote the integration between a housing development with its natural environment and eco-system.
- 2.2 This Constitution aims to regulate its members by way of its rules, to govern the conduct of residents, their employees, families, and visitors and to advance the objectives of the Association through better management of its affairs.
- 2.3 The Constitution further aims to advance the interest of like-minded, who desire to share a unique lifestyle, by incorporating its natural environment and proximity to the ocean. With the aid of this Constitution and Rules, the Members can not only protect their unique lifestyle but also set a framework for regulating its members to co-exist in harmony.

3. PROCEEDINGS OF THE ASSOCIATION

- 3.1 The Development is managed and controlled by the Association. The Association is given the power for the management, control, administration, use and enjoyment of the Development. This is an Association with members and trustees (referred to below).
- 3.2 The Association and its functions will be fulfilled by the owners being members with equal votes (but with the Developer having a veto right on all decisions until an occupation certificate is issued in respect of the last property, signifying the end of the development period), and with a Board of Trustees appointed by the Members (with the Developer being an automatic and unalterable Trustee with a veto right in respect of decisions as aforesaid), until the end of the development period.
- 3.3 The Trustees have the power to substitute, add to, amend, or repeal any rules as contained in Annexure "A". Subject to the Constitution of the Association, the Trustees are empowered to carry out all functions and powers assigned to the Association in this Constitution and Rules. The Trustees also have the right to impose financial penalties (fines) to be paid by those Members who do not comply with the Constitution and/or Rules. Fines, where imposed, shall be deemed to be a part of the levies due by the Owner. Furthermore, the Trustees may enforce the provisions of any rule, including by application to the courts.
- 3.4 The Association collects levies from all owners, being:
 - 3.4.1 the percentage of 1% of all the sales by owners.
 - 3.4.2 a fixed monthly amount which is equal in respect of each owner, initially being R1,450.00 per month per property.
- 3.5 The provision that monthly levies must always be equal per owner is unalterable and entrenched (with the amount of such being at the discretion of the Trustees).
- 3.6 Until the last property is transferred within the development, the Developer may (in his discretion and unilaterally) cause the amendment of this Constitution and any adopted rules.
- 3.7 The provisions contained in 3.4.1 above, shall however not apply to any erf owned and/or sold by Charl Kenneth Snyman and/or the Developer.
- 3.8 The Association will hold its first Annual General Meeting within 12 months from the date of transfer of the first property. Until the establishment of a quorum for the Association, the Developer shall assume the responsibilities of the Association.

4. AIMS AND OBJECTIVES

- 4.1 It is recorded that the whole Development is of a homogeneous nature and that notwithstanding the fact that members hold title to their erven individually the ASSOCIATION, through its trustees, shall have all the powers that are necessary to accomplish the fulfilment of all objectives of the ASSOCIATION, including, but not limited to the powers specifically contained in this constitution.

- 4.2 The ASSOCIATION shall have the following objectives:
- 4.2.1 to act as Home Owners Association established in terms of Section 29 of Land Use Planning Ordinance 15/1985 for the Development which is being developed in the developed area, and in particular to procure that the matters referred to in Sections 29(2)(b) and (c) of Land Use Planning Ordinance 15 of 1985 be adhered to and complied with.
 - 4.2.2 to take transfer of those portions of the common property that are to be owned by the ASSOCIATION for the benefit of its members.
 - 4.2.3 to enter into agreements of servitude for the benefit of its members or any adjacent property development.
 - 4.2.4 to manage, oversee and control all security aspects of the Development.
 - 4.2.5 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 Development, water, electricity and sewerage services to the ASSOCIATION and where required to supply such services to the various members of the ASSOCIATION.
 - 4.2.6 to administer and enforce the architectural and development guidelines, annexed hereto marked Annexure "A" and the Development rules.
 - 4.2.7 to control the registration of transfer of erven in the Development and ensure compliance within the Development with all conditions imposed by any competent authority when approving the rezoning and/or subdivision of the /properties comprising the development area.
- 4.3 Without limiting the generality of 4.2.1 to 4.2.7, the ASSOCIATION shall have the following powers and functions:-
- 4.3.1 to maintain, repair, improve and keep in good order and condition the common property and payment of all rates and taxes, all services charges and other taxes and/or levies charged and payable to the Council or any authority in respect of the common property and/or for payment of the salaries and/or wages of the employees of the ASSOCIATION and generally for the payment of all expenses necessarily or reasonably incurred in connection with the management of the ASSOCIATION, and the ASSOCIATION's affairs, including all and any expenses reasonably or necessarily incurred in the attainment of the objects of the ASSOCIATION or the pursuit of its business.
 - 4.3.2 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 trustees reasonably anticipate the ASSOCIATION will incur in the attainment of the objects of the ASSOCIATION or the pursuit of its business.
 - 4.3.3 ensure that all provisions of this constitution are complied with by all Members/parties bound thereby.

- 4.3.4 promote, advance and protect the Development and the interests of the ASSOCIATION and all members.
- 4.3.5 promote the development and maintenance of all properties within the Development and ensure that all such properties are developed and maintained in such a way as to derive maximum benefit for the entire Development.
- 4.3.6 enforces the provisions relating to the development and architectural controls for the Development, as set out in the Architectural Guidelines (“the Guidelines”). In particular, and in no way detracting from the generality of the aforesaid, to ensure that all buildings and other structures erected on the Development as well as any external fixtures or fittings attached thereto, comply with the controls and generally to ensure that the external appearance of all buildings and other structures and all gardens and other areas on the Development comply with the standards set out in the aforesaid documents.
- 4.3.7 promote, advance, and protect the interests of Members generally and co-operate and liaise with the Local Authority Provincial Government and all other appropriate authorities for the benefit of the Association and its members.
- 4.3.8 represents the interests of Members and provides a united voice by which such interests may be expressed.
- 4.3.9 collect levies and other contributions towards funds of the Association for the attainment of the objectives of the Association.
- 4.3.10 regulate the day-to-day running of the Development, including but not limited to:
 - 4.3.10.1 The conduct of any person within the Development and prevention of any nuisance to any Member.
 - 4.3.10.2 Imposing fines and other penalties upon Members disobeying this Constitution, the Guidelines, or the Rules.
- 4.4 The responsibility for the management and control of the common property shall be Transferred from the DEVELOPER to the ASSOCIATION upon completion of the Infrastructure services to the satisfaction of the Council and when transfer of such responsibility is tendered to the ASSOCIATION by the DEVELOPER.

5. MEMBERSHIP OF THE ASSOCIATION

- 5.1 Membership of the ASSOCIATION shall be compulsory for every registered owner of an erf in the development.
- 5.2 Membership shall commence simultaneously with the registration of the transfer of an erf into the Name of the transferee.
- 5.3 Membership of the ASSOCIATION shall be limited to the registered owners of erven in the Development provided that:

- 5.3.1 where any such registered owner is more than one person, all the registered owners of the erf shall be deemed jointly and severally to be one member of the ASSOCIATION and shall nominate one of them to represent them and to vote at meetings of the ASSOCIATION.
- 5.3.2 When a member ceases to be the registered owner of an erf, he shall *ipso facto* cease to be a member of the ASSOCIATION.
- 5.4 The rights and obligations of the members shall rank by the provisions of this Constitution.
- 5.5 Anything to the contrary herein, before contained or implied notwithstanding, the cessation of his membership, shall in no way release a member from any obligation undertaken by him prior or the cessation of his membership pursuant to:
- 5.5.1 any provision of the constitution of the ASSOCIATION; or
- 5.5.2 any further or ancillary guarantee, commitment, or obligation, which such member may have undertaken.
- 5.6 Membership shall be personal to the Member in question and may not be assigned or transferred by them to any other natural person or entity.
- 5.7 The ASSOCIATION shall maintain at their office a register of members, or in the possession of the current chairperson, which shall be open to inspection by members.
- 5.8 The trustees may by regulation provide for the issue of a membership certificate, which certificate shall be in such form as may be described by the trustees.
- 5.9 The registered owner of an erf shall not be entitled to resign as a member of the ASSOCIATION.
- 5.10 Every member is obliged to comply with:
- 5.10.1 the provisions of this constitution and any rules or regulations passed by the ASSOCIATION in terms hereof.
- 5.10.2 the provisions of the architectural and development guidelines and the Development rules.
- 5.10.3 any agreement concluded by the ASSOCIATION insofar as such agreement may directly or indirectly impose obligations on a member in its capacity as a member.
- 5.10.4 any directive given by the trustees in enforcing the provisions of this constitution.
- 5.10.5 The members shall be jointly liable for expenditures incurred in connection with the ASSOCIATION. If a member consists of more than one person such persons shall be jointly and severally liable *in solidum* for all obligations of a member in terms of this constitution.
- 5.10.6 A member shall not sell, alienate, or give transfer of an erf unless:
- 5.10.6.1 he proposed transferee has irrevocably bound himself to become a member of the ASSOCIATION and to observe the provisions of the constitution for the duration of his ownership of the erf.

- 5.10.6.2 the ASSOCIATION acting through the trustees or the levies and all amounts of whatever nature owing to the ASSOCIATION by such member have been paid and that the member is not in breach of any of the provisions of this constitution including any management or conduct rule and the provisions contained therein; and
 - 5.10.6.3 the proposed transferee acknowledges that upon the registration of transfer of the erf into his name, he shall *ipso facto* become a member of the ASSOCIATION.
 - 5.10.6.4 the conditions set out above are incorporated in the relevant Deed of Sale in terms whereof the transferee acquires the erf in question.
 - 5.10.6.5 the member of the ASSOCIATION has complied with all provisions contained in this constitution and any annexure thereto or regulation made in terms of this constitution relating to the architectural and development guidelines of the Development and with all rules and regulations in relation to the approval and compliance with approved building plans.
- 5.10.7 An ordinary 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 rezoning of an erf owned by the member, or make application for any consent use or waiver or departure or any other dispensation whatsoever in respect thereof.
- 5.10.8 A member is required to ensure that the occupant of his erf, whether such occupation arises from an agreement of lease or otherwise, complies with all applicable provisions of this constitution and the regulations. Without detracting from the foregoing, a member shall remain bound by this constitution and be jointly and severally liable for the acts and omissions of the occupants of a dwelling for the fulfilment of his/their obligations under this constitution.
- 5.10.9 Subject to this constitution and any restriction imposed or direction given at a general meeting of the ASSOCIATION and subject to any condition imposed by the local authority, the trustees may from time to time make Development rules, and vary or modify these rules, regarding:
- 5.10.9.1 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 Development,
 - 5.10.9.2 the preservation of the natural environment, vegetation and fauna within the Development including the right to control, and if necessary, order the removal of vegetation, and the right to prohibit and/or control the erection of fences, and walls whether upon or within the boundaries of any event.

- 5.10.9.3 the right to prohibit, restrict or control the keeping of any animal which they regard as dangerous or a nuisance.
- 5.10.9.4 the conduct of any persons within the Development and the use of his property for the prevention of nuisance of any nature to any member.
- 5.10.9.5 the use of services and recreation areas, amenities, and facilities, including the right to charge a reasonable fee for the use thereof.
- 5.10.9.6 the maintenance of all buildings, outbuildings, structures, improvements of any nature and landscaping within the Development.
- 5.10.9.7 the control of the number of occupants or residents permitted on any one erf.
- 5.10.9.8 the admission of any person within the Development, and the eviction of any person not entitled to be thereon.
- 5.10.9.9 the furtherance and promotion of any of the objects of the ASSOCIATION and/or for the better management of the affairs of the members and/or the residents within the Developments.

6. TRUSTEES

- 6.1 The trustees of the ASSOCIATION shall be member trustees.
- 6.2 There shall be not more than five (5) trustees (jointly referred to as "The Board of Trustees").
- 6.3 A trustee shall be a natural person.
- 6.4 A trustee, by accepting his appointment to office, shall be deemed to have agreed to be bound by all the provisions of this constitution.
- 6.5 The trustees shall appoint one of their number to act as chairman for such term as they think fit, but not for longer than such person's tenure as a trustee.

7. REMOVAL AND ROTATION OF TRUSTEES

- 7.1 Save as set out in this clause below, each trustee, shall continue to hold office as such from the date of his appointment to office until the annual general meeting next following his said appointment, at which meeting each trustee shall be deemed to have retired from office as such but will be eligible for re-election to the board of trustees at such meeting.
- 7.2 A trustee shall be deemed to have vacated his office as such upon:
 - 7.2.1 his having become disqualified to act as a director in terms of the provisions of the Companies Act.
 - 7.2.2 his estate being sequestrated, whether provisionally or finally.
 - 7.2.3 the commission by him of any act of insolvency.
 - 7.2.4 his conviction for any offence involving dishonesty or any other serious criminal offence.
 - 7.2.5 his becoming of unsound mind or being found a lunatic.
 - 7.2.6 his resigning from such office in writing.

7.3 Provided that anything done in the capacity of a trustee in good faith by a person who ceases to be a trustee shall be valid until the fact that he is no longer a trustee, and it has been recorded in the minutes of the ASSOCIATION.

7.4 Upon any vacancy occurring in the trustees prior to the next annual general meeting, the vacancy in question shall be filled by a person nominated by those remaining for the time being as trustees.

8. TRUSTEES EXPENSES AND REMUNERATION

Trustees 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 trustees as may be approved by the board of trustees.

9. POWERS OF TRUSTEE

9.1 Subject to the express provisions of this constitution, the trustees 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 including the right of appointment and dismissal of any Development manager, may exercise all such powers of the ASSOCIATION and do all such acts on behalf of the ASSOCIATION as may be exercised and done by the ASSOCIATION and as are not by this constitution required to be exercised or done by the ASSOCIATION in general meeting, subject however to such rules as may have been made by the ASSOCIATION in general meeting or as may be made by the trustees from time to time.

9.2 Save as specifically provided in this constitution, the trustees shall at all times have the right to engage on behalf of the ASSOCIATION the services of accountants, auditors, attorneys, architects, town planners, Development manager or any other professional firm or person or other employees whatsoever for any reasons deemed necessary by the trustees on such terms as the trustees shall decide.

9.3 The trustees shall have the power:

9.3.1 to require that any construction of any nature within the Development shall be supervised to ensure that the provisions of this constitution and the rules are complied with and that all such construction is performed in a proper and workmanlike manner.

9.3.2 to issue architectural and development guidelines from time to time and to ensure that such a manual is complied with at all times.

9.4 The trustees shall have the right to vary, cancel or modify their decisions and resolutions from time to time.

- 9.5 The trustees shall be entitled to appoint committees consisting of such number of their members and such outsiders, including a Development manager, as they deem fit and to delegate to such committees such of their functions, powers and duties as they deem fit, with further power to vary or revoke such appointments and delegations as the trustees may from time to time deem necessary.
- 9.6 The trustees shall appoint an architectural design review committee to exercise the powers set out above which may, but shall not necessarily, consist of the following persons:
- 9.6.1 a practicing professional architect or town planner duly qualified to practice as such for his own account in the Republic of South Africa.
- 9.6.2 One or more trustees.
- 9.6.3 such other members as the trustees may determine.
- 9.7 Members of the architectural design review committee shall not be required to be members of the ASSOCIATION.

10. PROCEEDINGS OF TRUSTEES

- 10.1 The trustees may meet for the dispatch of business, adjourn, and otherwise regulate their meetings as they think fit, subject to any provisions of this constitution.
- 10.2 The quorum necessary for the holding of all meetings of the trustees shall be three (3) trustees present personally or via electronic link. If no quorum is present within fifteen (15) minutes after the time for commencement of the meeting then it shall stand adjourned for seven (7) days, or if that is not a business day, then to the next business day thereafter, and those trustees present at the adjourned meeting shall constitute a quorum.
- 10.3 At any meeting of the trustees, each member trustee shall have one (1) vote.
- 10.4 Any resolution of the trustees shall be carried by a simple majority of all votes cast. In the case of an equality of votes for and against a resolution, the chairman of the trustee shall have a second or casting vote.
- 10.5 The trustees shall cause minutes to be kept of every trustee meeting, which minutes shall, without undue delay after the meeting has closed, be reduced to writing and certified correct by the chairman. All minutes of trustee's meetings shall, after certification, be placed in a trustee's minute book to be kept in accordance with the provisions of the laws relating to the keeping of minutes of meetings of directors of companies. The trustees' minute book shall be open for inspection at all reasonable times by any trustee, the auditors, the members, and the Development manager.
- 10.6 A resolution signed by all the trustees shall be valid in all respects as if it had been duly passed at a meeting of the trustees.

11. LEVIES

- 11.1 The ASSOCIATION shall establish and maintain a levy fund for the purposes of meeting all Expenses of the ASSOCIATION in respect of:
 - 11.1.1 the control, management, and administration of the Development.
 - 11.1.2 in general, the attainment of its main objectives as described in its constitution.
 - 11.1.3 the maintenance of common property and the costs of services such as electricity, water and sewerage consumed or used on the common property.
 - 11.1.4 the supply of any services rendered by the ASSOCIATION.
 - 11.1.5 payment of all expenses necessary or reasonably incurred in connection with the Management of the ASSOCIATION.
 - 11.1.6 the cost of the provision of security to the Development; and
 - 11.1.7 in general, the cost of fulfilling any of the obligations of the ASSOCIATION.
 - 11.1.8 to act as a bulk supplier to the Development in respect of the services referred to in 21 below.
- 11.2 The trustees shall estimate the amount which will be required by the ASSOCIATION to meet the expenses during each year, together with such estimated deficiency, if any, as shall result from the preceding year and may include in such estimate an amount to be held in reserve to meet anticipated future expenditure not of an annual nature.
- 11.3 The ASSOCIATION shall be entitled to require members, to make contributions to such levy fund (in the form of levies), for the purpose of satisfying the expenses referred to in clause 11.2.
- 11.4 The trustees shall submit the estimated expenditure referred to in 11.2 to the annual General meeting of the ASSOCIATION for consideration.
- 11.5 Any amount due by a member by way of a levy shall be a debt due by him to the ASSOCIATION payable in monthly instalments.
- 11.6 Until such time as a new levy pertaining to a forthcoming year has been determined pursuant to the provisions of this clause 11, every member of the ASSOCIATION shall continue to pay the existing levy currently in force, on account of the new levy yet to be determined.
- 11.7 The obligation of a member to pay a levy shall cease upon his ceasing to be a member, save that he shall remain liable for all levies calculated up to the date upon which he ceases to be a member.
- 11.8 No levies paid by a member shall be repayable by the ASSOCIATION upon cessation of the member's membership, apart from any levies paid in advance for a period which transforms the date of registration or transfer of ownership.
- 11.9 A member's successor in title to an erf shall be liable, as from the date upon which he becomes a Member pursuant to registration of transfer of such erf in his name, to pay the levies attributable to that erf.

- 11.10 A member shall be obliged to pay interest on any levy not paid on the due date at the Prime Rate plus 3 percentage points per annum calculated on the levies due from time to time from the due date until the date that the arrear levies have been paid in full to the ASSOCIATION.
- 11.11 The ASSOCIATION shall be entitled to require a member to sign a debit order authority to allow the ASSOCIATION or its authorized agent to collect levies directly from an operating bank account.
- 11.12 If any member fails to make payment on the due date of levies and/or other amounts payable by such member including interest, the ASSOCIATION may give notice to such member requiring him to remedy such failure within such period as the ASSOCIATION may determine and should he fail timeously to make such payments, the ASSOCIATION may institute legal proceedings against such member without further notice and such member will be liable for and shall pay all legal costs on the scale as between attorney and own client together with collection commission and any other expenses and charges incurred by the ASSOCIATION in recovering such amounts.
- 11.13 No member shall (unless otherwise determined by the trustees) be entitled to any of the privileges of membership including:
- 11.13.1 his right of access to and use of any of the facilities on the common property; excluding his right to access his property.
- 11.13.2 his right to vote until he shall have paid every levy and interest thereon and any other amount which may be due and payable by him to the ASSOCIATION.
- 11.14 The ASSOCIATION shall not be entitled to undertake on behalf of its members any permanent works of major capital nature without the sanction of a resolution of the members adopted during a general meeting of members. In this sub-clause "works of a major capital nature" means works that will cost more than R60,000.00 (excluding Value Added Tax).
- 11.15 In the calculation of the levy payable by any member, the trustees shall as far as reasonably practical:
- 11.15.1 Apportion those costs relating to the common property to the owners of all erven equally, provided however that the trustees may in any case where it considers it equitable to do so, apportion to any member any greater or lesser share of the costs as may be reasonable in the circumstances.
- 11.15.2 Should any dispute arise at any time between the members and the trustees in regard to the determination or calculation of the levies, the decision of the auditors for the time being of the ASSOCIATION (acting as experts and not as arbitrators) regarding such dispute shall be final and binding on the members and the trustees.
- 11.16 In the event of any dispute arising regarding the determination or calculation of any levy, every member shall until the determination of such dispute, continue to pay the levies determined by the trustees.

- 11.16.1 Owners must pay levies in full and in advance by the 7th day of each and every month.
- 11.16.2 Owners in arrears on the 7th of the month shall pay interest (at the rate determined by the Board of Trustees) and such interest shall be applied to the full amount overdue, from the 1st of the month up until the date of payment.
- 11.16.3 Owners still in arrears after a further 30 days must immediately pay the full amount overdue, plus the next levy due, plus interest on the full overdue amount up until the date of payment.
- 11.16.4 Owners in arrears after 60 days shall have their overdue account and the full interest thereon, handed over for collection and possible legal action. Any costs incurred by these proceedings and all additional interest up to the date of final settlement shall be for the owner's account on an attorney and own client scale. Any interest on, or collection fees for overdue levies, shall be considered to be part of the levy and treated as such.
- 11.16.5 Levy amounts may not be reduced or withheld or set off for whatever reason, against real, perceived, partial or non-provision of services, or for any other reason.
- 11.16.6 Owners who are "away" at month-end must make arrangements to ensure the levies are paid by due date (being "on holiday", "away overseas" or "away on business" and like excuses are not acceptable reasons for late payment of levies).
- 11.16.7 Members are encouraged to effect payment by way of debit orders on the first day of each month, which can be signed for at the offices of the Association, and which are controlled by the Association and submitted to the Bank by the Association' accounting agent. The Association reserves the right to levy a surcharge on Members who do not use the debit order facility.
- 11.16.8 The Developer will not be liable for the payment of any levies not paid for unsold erven in the Development.

12. SPECIAL LEVIES

The ASSOCIATION may, from time to time by a resolution adopted by the trustees, make special levies upon members effective from the date of passing of the applicable resolution in respect of such expenses referred to in clause 11 which have not been included in the levies approved by the annual general meeting in terms of 11, and such levies may be imposed and shall be payable in one sum or by such instalments and at such time or times as the trustees may determine in its resolution. The decision of the trustees in calculating such special levies shall be final and binding on all members.

13. GENERAL MEETINGS OF THE ASSOCIATION

- 13.1 The ASSOCIATION shall, within six (6) months after the end of the financial year hold a general meeting as its annual general meeting in addition to any other general meetings during that year and shall specify the meeting as such in the notices.
- 13.2 Such annual general meeting shall be held at such time and place as the trustees shall decide from time to time.
- 13.3 All meetings of the members other than annual general meetings shall be called general meetings.
- 13.4 The trustees may, whenever they think fit, convene a general meeting.

14. NOTICES OF MEETINGS

- 14.1 An annual general meeting and a meeting called for the passing of a special resolution shall be called by not less than twenty-one (21) clear days' notice in writing and any other general meeting shall be called by not less than fourteen (14) clear days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting and shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the ASSOCIATION in general meeting, to such persons as are, under this constitution, entitled to receive such notices from the ASSOCIATION: provided that a meeting of the ASSOCIATION shall notwithstanding the fact that it is called by shorter notice than that specified in this clause, be deemed to have been duly called if it is so agreed by not less than fifty one percent (51%) of the members having a right to attend and vote at the meeting.
- 14.2 The annual general meeting shall deal with and dispose of all matters prescribed by the Companies Act, the consideration of the annual financial statements, the election of trustees, the noting of the levy for the financial year during which such annual general meeting takes place, the appointment of an auditor and may deal with any other business laid before it, all business laid before any other general meeting shall be considered special business.

15. PROXIES

- 15.1 A member may be represented at a general meeting by proxy, who must be a member of the ASSOCIATION or a director, member, partner or trustee of that member.
- 15.2 To be effective at a meeting or adjourned meeting, a proxy together with the original or a certified copy of any power of attorney or other authority under which it is signed must be lodged with the ASSOCIATION at least twenty-four (24) hours before the commencement of the meeting or adjourned meeting concerned but the trustees may from time to time determine that such documents:
 - 15.2.1 are to be lodged at a particular place; or

15.2.2 are to be lodged a certain number of hours, not exceeding forty-eight (48) in all, before the meeting; or

15.2.3 may be lodged at any time before or during the meeting. Notwithstanding the foregoing, the chairman of the meeting may agree to accept a proxy tendered at any time before or during the meeting.

15.3 A proxy shall be valid for an indefinite period unless it is stated on the proxy that it is only to be valid for a shorter period. The instrument appointing a proxy shall be in the form as prescribed by the ASSOCIATION. A proxy shall be valid for any adjournment of the general meeting to which it relates unless otherwise indicated on the proxy.

16. QUORUM

16.1 No business shall be transacted at a general meeting unless a quorum is present both when the meeting proceeds to business and when any resolution is to be passed. Save as herein otherwise provided, members holding in the aggregate not less than 10% (ten percent) of the total votes of all members entitled to attend the meeting and vote thereat, who are present in person or by proxy shall constitute a quorum, provided that at least three (3) members are present in person at such meeting.

16.2 If within fifteen (15) minutes after the time appointed for the commencement of a general meeting or within such extended period as the chairman of the board of Trustees or, in his absence, the deputy chairman, may allow, a quorum is not present, the meeting shall be dissolved if it was convened on requisition. In all other cases the meeting shall stand adjourned to the same place at the same time on the same day of the next week (or if that day is not a business day, the first business day following that non-business day) or to such other place, time and day as the board of Trustees may determine. If a quorum is not present at such adjourned meeting, the members present shall constitute a quorum.

17. VOTING RIGHTS OF MEMBERS

17.1 Members shall be entitled to vote only on the matters raised at every general meeting.

17.2 At every general meeting:

17.2.1 each member, present in person or by proxy and entitled to vote, shall have one vote for each erf registered in his name.

17.2.2 if an erf is registered in the name of more than one (1) person then all such co-owners shall jointly have only one vote.

17.3 Save as expressly provided for in this constitution, no person other than a member who shall have paid every levy and other sum (if any) which shall be due and payable to the ASSOCIATION in respect of or arising out of his membership and who is not suspended, shall be entitled to be present or to vote on a question, either personally or by proxy or electronically at any general meeting.

- 17.4 Voting at general meetings shall take place by way of a show of hands unless on or before the declaration of the result of the show of hands a poll is demanded according to law.
- 17.5 Resolutions shall be passed by simple majority vote, save with respect to amendments to this constitution when the approval of at least 75% (seventy-five per cent) of the total number of votes, allocated to members of the ASSOCIATION which majority shall be expressed at a general meeting called specifically for such purpose.
- 17.6 If a poll is duly demanded it shall be taken in such manner as the chairman of the meeting may direct either at once or after an interval or adjournment.
- 17.7 If any difficulty or dispute arises regarding the admission or rejection of a vote or regarding any other matter, such difficulty or dispute is to be determined by the chairman whether or not scrutineers have been appointed to count the votes and his decision shall be final and conclusive.
- 17.8 A vote cast under a proxy, power of attorney, or other authority which has been revoked shall nevertheless be valid unless:
- 17.8.1 written notice of the revocation is received by the ASSOCIATION prior to the meeting concerned; or
- 17.8.2 the chairman of the meeting agrees to accept written or oral notice of such revocation at the meeting.
- 17.9 No objection shall be raised to the admissibility of any vote except at the meeting or adjourned meetings or adjourned meetings at which the vote objected to is cast and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
- 17.10 A declaration made in good faith by the chairman of a general meeting to the effect that, either on a show of hands or a poll, a resolution has or has not been passed (whether by a simple majority or unanimously) shall be final and conclusive and the resolution shall be deemed to have been so passed or not passed, as the case may be.
- 17.11 Any resolution which could be passed at a general meeting (other than a special resolution or a resolution to remove a trustee or auditor) may be passed without a meeting being held if one or more copies of the resolution are signed by or on behalf of all the members entitled to vote.

18. ACCOUNTING RECORDS

- 18.1 The trustees shall cause such accounting records as are prescribed by Companies Act to be kept.
- 18.2 The accounting records shall be kept at the registered office of the ASSOCIATION or at such other place or places as the trustees think fit and shall always be open to inspection by the trustees.

- 18.3 The trustees shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the ASSOCIATION or any of them shall be open to inspection by members not being trustees, and no member (not being a trustee) shall have any right of inspecting any accounting records or documents of the ASSOCIATION except as conferred by the Companies Act or authorized by the trustees.
- 18.4 The trustees shall from time-to-time cause to be prepared and laid before the ASSOCIATION in general meeting such financial statements as are referred to in the Companies Act.
- 18.5 A copy of the annual financial statements which are to be laid before the ASSOCIATION in annual general meeting shall, not less than twenty-one (21) days before the date of the meeting, be sent to every member of the ASSOCIATION: provided that this clause shall not require a copy of those documents to be sent to any person for whom the ASSOCIATION do not hold an address.

19. SERVICE OF NOTICES

- 19.1 The ASSOCIATION may give notice to any member either personally, or by sending it electronically addressed to such member at his registered address/recorded e-mail address or at the address (if any) within the Republic of South Africa supplied by him to the ASSOCIATION for the giving of notice to him.
- 19.2 Notice of every general meeting shall be given:
- 19.2.1 to every member of the ASSOCIATION.
- 19.2.2 to the auditors for the time being of the ASSOCIATION, Provided that no other person shall be entitled to receive a notice of general meetings.
- 19.3 The signature to any notice given by the ASSOCIATION may be written or printed, or partly written and partly printed.
- 19.4 When a given number of days' notice or notice extending over any other period is required to be given, the days of service shall not be counted in such number of days or period.

20. INDEMNITY

- 20.1 All trustees and the auditors shall be indemnified against any liabilities *bona fide* incurred by them in their respective capacities, whether defending any proceedings, civil, criminal, or otherwise, in which relief is granted to any person/s by a court.
- 20.2 Every trustee, servant, agent and employee of the ASSOCIATION, and the auditors, shall be indemnified by the ASSOCIATION against (and it shall be the duty of the trustees out of the funds of the ASSOCIATION to pay) all costs, losses and expenses which such person or persons may incur or become liable for by reason of any contract entered into, or any act or deed done, by such person or persons in the discharge of any of his/their respective duties.

21. RESPONSIBILITY FOR PAYMENT OF RATES, TAXES AND SERVICES

21.1 Rates and Taxes

21.1.1 The ASSOCIATION shall be responsible to pay all rates and taxes in respect of the common property to the Council.

21.1.2 All other members as owners of erven shall be responsible to pay rates and taxes in respect of their property to the Council.

21.2 Services

21.2.1 Portable Water Supply:

21.2.1.1 Water will be supplied and metered in bulk at the boundary of the Development by the Council.

21.2.1.2 The management and maintenance of the complete internal water supply system will be the responsibility of the ASSOCIATION and all supplies of water will be managed and administered in the entire discretion of the ASSOCIATION.

21.2.1.3 The ASSOCIATION will be responsible for the cost of maintenance and servicing of pipelines, pumps, meters, equipment and materials in respect of the internal potable water supply system up to the boundary of each erf.

21.2.1.4 The members of the ASSOCIATION shall be liable for and shall pay to the ASSOCIATION on demand all charges arising from water supplied to or consumed in the Development.

21.2.1.5 The Council will be responsible for the maintenance of the portable water supply system up to the bulk supply point at the boundary of the Development.

21.2.1.6 Collection of rainwater is permitted, provided that the design of such method is permitted in terms of the Architectural Guidelines and approved by the Association.

21.2.1.7 The Association shall not be liable for damages, expenses or costs caused by any interruption in supply or failure to supply water to residents.

21.2.1.8 The Association shall not be liable for damages, expenses or costs caused by flooding and excess storm water.

21.3 Electricity

21.3.1 The ASSOCIATION will be responsible for the operation and maintenance of the internal reticulation of electricity and shall further be responsible to appoint a responsible person as defined in terms of the Occupational health and Safety Act to exercise this function on its behalf.

21.3.2 The liability of members of the ASSOCIATION for such charges shall be in accordance with separate sub-meters serving the erven of members, which the ASSOCIATION shall be entitled to install at the cost of such a member, as the case may be.

21.3.3 Where electricity charges are calculated and payable in terms of this clause, any value-added tax levied in respect of the supply of such electricity shall be paid by the member in question.

21.3.4 Lighting on the common property shall be supplied through separate electricity supply meters and the cost incurred by the ASSOCIATION in respect thereof shall be recovered from members as part of the levies imposed by the ASSOCIATION.

21.4 General

21.4.1 Each member of the ASSOCIATION shall from date of transfer be responsible for any connection charges to the infrastructure of the Development, including the costs of any metering device and the maintenance and replacement of any such device.

21.4.2 The ASSOCIATION shall be entitled to call for deposits in respect of any connection to be undertaken by it, the interest on which deposits shall be to the credit of the ASSOCIATION.

21.4.3 The ASSOCIATION shall have the right to convey water, electricity, sewerage, telephone information technology, telecommunication, security communication, and any other services over any erf or building or any other portion of the Development, whosoever is the owner thereof, and shall have the right of access to such premises for the purposes of installing, replacing and/or repairing such services.

21.4.4 The members of the ASSOCIATION will allow reasonable access and provide their co-operation to employees or representatives of the ASSOCIATION (as the case may be) into the buildings or erven for purposes of maintaining any pipes or equipment or in general any of the system necessary for the conveyance or provision of the services referred to above.

21.4.5 Without limiting the generality of the provisions of this clause 21.3.5, the ASSOCIATION shall have the right to register servitudes of right of way and/or servitudes for the conveyance of electricity, water, sewerage, telephone lines, information technology, security systems and any other type of services and/or servitudes of encroachment or servitude in respect of any common walls or structural support or any other servitudes in respect of any other type of use. The members accept and shall be bound by and consents to the registration of the servitudes referred to in this clause and 21.3.5.

21.4.6 The ASSOCIATION will be responsible for the maintenance of the internal sewer reticulation serving the Development. The maintenance costs of the internal sewer reticulation, as well as sewerage services costs will be recovered by means of levies imposed by the ASSOCIATION.

21.4.7 The ASSOCIATION will be responsible for the maintenance of the internal storm water system serving the Development as well as for the maintenance of the storm water catchment dams (if any) the maintenance costs will be recovered by means of levies imposed by the ASSOCIATION.

22. LETTING AND RESALE

- 22.1 These rules apply to and are binding upon all tenants and all future purchasers. An owner (or his agent) who intends to let a property shall furnish his tenant with a copy of these rules and make them binding on such tenant.
- 22.2 Sub-letting is permitted but this shall be limited to one such tenant and which sub-tenant must and shall be similarly bound to this Constitution.
- 22.3 Members or their agents shall give the Association prior written notice of any tenants or guests who are to occupy the member's residence in the absence of that member. Every tenant shall be required to register at the offices of the manager within 1 (one) week after arrival and to sign a declaration that he is acquainted with these rules and acknowledges that these rules are binding on him. Similarly, any tenant who sub-lets is obliged to register and comply as above.
- 22.4 If any tenant, guest, employee, or other invitee of any member fails to comply with any of the provisions of these rules, the Association shall be entitled to act in terms of clause 26 below.
- 22.5 Development agents shall be required to abide by such rules and directives relating to advertising, access to the Development, the holding of show houses and the like, as the Association may from time to time reasonably determine. Any agent who fails to abide by any such rules and directives may be denied access to the Development and its principal as owner being liable towards the Association.
- 22.6 A Member may not in any manner alienate a property unless:
- 22.6.1 The Association has given its written consent thereto and has issued a clearance confirmation in the form of a Consent to Transfer that all amounts owing to the association by such member have been paid and that the member is not in breach of any of the provisions of this Constitution and
- 22.6.2 The proposed transferee acknowledges that upon the registration of transfer of the erf into his name he shall *ipso facto* become a Member of the Association.
- 22.7 Upon any re-sale, on transfer a levy of 1% of the purchase price at the time is payable by the owner, as per clause 3.4.1 above.

23. COMMERCIAL ACTIVITIES

- 23.1 Subject to the Constitution and the Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985), owners who envisage conducting a commercial business enterprise from the Development must seek and obtain written permission from the Association and the relevant Local Authority.
- 23.2 Such business operating from a dwelling is subject to the following and any other restrictions:
- 23.2.1 There is to be at least one *bona fide* resident occupying the building from which the business is to be undertaken.
- 23.2.2 A maximum of 30% of the gross floor area of the dwelling may be utilized for the business, provided that such area may not exceed 60 square meters.
- 23.2.3 The display of names, logos, advertising material and notice boards, is prohibited.
- 23.2.4 No door-to-door marketing and/or selling is permitted.
- 23.2.5 The storage of goods of any nature, and the presence of hazardous waste, is prohibited.
- 23.2.6 The display of goods contemplated to be sold, shall be located inside the dwelling place and shall not be visible from the outside/street.
- 23.2.7 The loading and off-loading of goods by mean of a private or commercial vehicle may not take place where the mass exceeds 3500kg, loading capacity included.
- 23.2.8 All visitors' vehicles shall be parked on the premises. No parking whatsoever is permitted on the pavement or on gardened or common areas.
- 23.2.9 The parking of a motor vehicle shall not impact neighbors' premises and/or pavements.
- 23.2.10 a Maximum of one person may be employed in addition to the owner.
- 23.2.11 No industry or manufacturing enterprise likely to cause disturbance to residents is permitted.
- 23.2.12 No disturbances, noises, smells, radioactive emissions, or general nuisances that may cause public discomfort will be permitted.
- 23.3 The undertaking may not generate excessive traffic. A maximum of two simultaneous visitors is permitted. The number of visitors may not adversely affect the Development. Visiting times will be restricted to 09h00 – 18h00 on business weekdays only.
- 23.4 The permission granted in terms of this clause to a homeowner can be terminated in the sole discretion of the Association, if the owner contravenes the rules that govern business enterprises on the Development.
- 23.5 The homeowner shall have no claim whatsoever against the Association for damages, howsoever caused.

- 23.6 Written consent of all immediate neighbours to conduct the enterprise must be obtained and must accompany a request for permission to the Association to conduct the business.
- 23.7 In the event that visitors occupy the business premises for a significant period of time, the Association may charge an appropriate fee, to be added to the relevant homeowner's levies.
- 23.8 Should any owner (to whom permission has been granted for the conduct of a business) wish to change any aspect of such business, then such owner shall submit a fresh application in accordance with the provisions of these rules to commence such business.

24. BUILDING REQUIREMENTS AND CONSTRUCTION

- 24.1 The architectural and development guidelines constitute an integral part of this constitution. It is recorded that the architectural and development guidelines contain the procedures, requirements, and guidelines to be adhered to by every member who wishes to effect construction, improvements or alterations to or undertake any renovation of any erf. The architectural and development guidelines that will be in force and effect are those contained in Annexure "A".
- 24.2 All improvements shall be of sound construction and shall comply with the provisions of the architectural and development guidelines contained in this constitution.
- 24.3 No construction or erection of any improvements or alterations to and no renovation of any erf that is undertaken by any party any landscaping on any property may commence prior to the due and proper approval of plans for such construction, improvements, alterations, or renovation by both the design review committee and, where required, the local authority, in accordance with the following provisions:
- 24.3.1 The member shall submit to the design review committee for approval a full set of the proposed building plans or alteration plans which indicate both construction and design details.
- 24.3.2 The member shall be liable for payment of the reasonable cost of professional scrutinizing and examination of such plans by the design review committee.
- 24.3.3 After the approval of such plans by the design review committee the plans shall be submitted to the local authority for approval. No plan shall be submitted to the local authority unless it bears the endorsement of approval of the design review committee, clearly dated, certifying that the plan complies with both the architectural and development guidelines.

- 24.4 When effecting the constructions, improvements or alterations or renovations contemplated in this clause 24 the member shall at all times comply strictly with the architectural and development guidelines as well as all conditions and standards imposed by the local authority insofar as these may be additional to the provisions of the architectural and development guidelines. No member shall be entitled to deviate in any manner whatsoever from any plan approved by the design review committee and the local authority unless the prior written approval of both the design review committee and the local authority for such proposed deviation has been obtained.
- 24.5 No member shall be entitled to challenge or contest any of the provisions of the architectural and development guidelines. No application for the amendment of the architectural and development guidelines shall be made to the local authority unless prior written consent of the design review committee has been obtained thereto.
- 24.6 The design review committee may amend the architectural and development guidelines from time to time, subject to the approval of the Trustees.
- 24.7 Before any construction project is commenced, the homeowner shall cause the contractor undertaking the construction to pay to the Association a deposit in an amount determined by the Association in order to provide cover for the repair of any damage caused by the contractor or his employee or sub-contractors to property, including trees and plants, or to any other homeowner. Upon the completion of the construction project, the deposit less any amounts necessary to rectify any damage caused as aforesaid, will be repaid to the contractor. No interest will be paid by the Association on deposits.
- 24.8 During the course of construction of any building, the Association shall be entitled to direct the relevant owner or his appointed contractor to effect improvements to the quality of any aspects of the construction, should the Association deem such improvements to be necessary.
- 24.9 The Association shall be entitled to direct the relevant owner to effect maintenance work to his home, should the Association deem such maintenance necessary.
- 24.10 Should any dispute arise in connection with the Architectural Guidelines, including without limitation, the application and/or interpretation thereof, the consulting architect's decision in respect of any such dispute shall be final and binding upon the parties to the dispute and if necessary the consulting architects can make the necessary amendments to the Architectural Guidelines where such guidelines are, in the sole discretion of the consulting architects, lacking or vague.
- 24.11 The appointment of building contractors is subject to the prior written approval of the ASSOCIATION, which approval shall not be unreasonably withheld.

- 24.12 Every building contractor shall be required to abide by the rules, the Architectural Guidelines, statutory conditions of approval and any other rules made by the Association regulating the conduct of building contractors from time to time and to sign such prescribed undertakings as may be determined by the Association with regard thereto. An occupancy certificate issued by the Local Authority in terms of the National Building Regulations and Building Standards Act, No. 103 of 1977 must be obtained prior to occupation and utilization of a dwelling or addition thereto in terms of an approved building plan. A building contractor will not be allowed to undertake and proceed with any building work on the Development until such time as the undertakings referred to in this clause have been given and thereafter adhered to. Without derogating from the generality of the foregoing, builders must specifically also adhere to the Contractors Code of Conduct prescribed by the Association.
- 24.13 Any building contractor shall be required to abide by these rules, the Architectural Guidelines and any other rules issued by the Association regulating the conduct of building contractors from time to time.
- 24.14 A member shall be obliged to have finally completed the building work and landscaping within a period of 60 (sixty) months from having taken transfer from the Developer of the Development with the owner and his Purchaser being liable, jointly and severally. Where an undeveloped property is acquired from someone other than the Developer, building and construction must be completed within the time period.
- 24.15 Once building has commenced, members must finally complete the same within 12 (twelve) months, which includes builders' holidays and rain affected days unless written consent has been obtained from the Association.
- 24.16 In the event of the member failing or neglecting to erect a dwelling as set out in clause 24.14 and 24.15 and failing further to remedy such breach after due written notice to effect the required completion within such reasonable time as determined and stipulated in such notice by the Association in its entire discretion, the owner shall become liable for monthly penalty levies payable to the Home Owner's Association, applicable for each month of non-completion, calculated on the following scale:
- i. Completion overdue by less than three full calendar months calculated from date of transfer, shall incur a monthly penalty levy (payable in addition to the normal monthly levy) equal to twice the normal monthly levy.
 - ii. Completion overdue by more than three months but less than six full months, shall incur a monthly penalty levy calculated at four times the normal monthly levy.
 - iii. Completion overdue by more than six months but less than nine months shall incur a monthly penalty levy calculated at six times the normal monthly levy and
 - iv. Completion overdue by more than nine months shall incur a monthly penalty levy calculated at eight times the normal monthly levy.

All penalty levies shall be payable monthly, upon demand, and shall incur interest at the maximum statutory rate should it not be paid within fourteen days from the date of dispatch of the formal demand for payment thereof. Should the Homeowners' Association be obliged to incur legal costs in order to collect penalty levies due, then the said Association shall be entitled to recoup its costs calculated at the scale as between attorney-and-own client, including collection commission.

- 24.17 For the purpose of these rules, final completion shall mean that all items and snagging for both exterior and interior shall be fully completed, landscaping finished and that all contractors and sub-contractors will have vacated the site and all rubble, litter and rubbish shall have been removed from the site and its vicinity, any damage to surrounding areas has been made good and final inspection and signed off by the consulting Architects and consulting Landscape Architects.
- 24.18 For the avoidance of doubt an owner who is in breach of the provisions of both 24.14 and 24.15 will only be liable for the penalty levy under either the one or the other, but not both.
- 24.19 No resident may affect any alterations, additions, or extensions to the exterior of any building without adhering to the provision of this clause 24 (*mutatis mutandis*)
- 24.20 No member of the Association shall be entitled to build a tennis court, netball court or swimming pool, nor may any member erect basketball hoops on any property within the Development.
- 24.21 No residential unit or section thereof on the Development may be occupied prior to obtaining written consent by the Association thereto, including with reference to confirmation that the building is substantially complete and capable of final completion within 30 (thirty) days of the date of occupation. To obtain this approval, the following minimum stipulations must have been adhered to:
- 24.21.1 All structures and pipes must be completed in accordance with the building plans approved by the Local Authority.
- 24.21.2 The sewerage line, electricity and water must be connected to the points provided on the sewerage, electricity and water mains provided by the Municipality.
- 24.21.3 All exterior work including walls, fences, pergolas, boundary walls, driveways, must be completed according to the plans approved by the Local Authority.
- 24.21.4 All the structures not clad in stone must be painted to the satisfaction of the Association and in accordance with the Architectural Guidelines.
- 24.21.5 The entire area of the unit not covered by structures or driveways must be landscaped to the satisfaction of the Association and according to the architectural guidelines.

- 24.22 Notwithstanding anything else contained herein, members will be obliged to employ the services of the Consulting Architects and Consulting Landscape Architects. All consultants will be obliged to work for a market-related fee.
- 24.23 Notwithstanding anything else contained herein, the following conditions regarding the construction of houses will be applicable, namely:
- 24.23.1 All construction activity is to be restricted to the erf in question with no disturbance to the area surrounding the erf.
 - 24.23.2 All topsoil on disturbed areas is to be removed and stockpiled.
 - 24.23.3 Construction activity on each erf is to be limited to a maximum of 1 year. It is not acceptable to leave buildings partially finished over an extended period of time.
 - 24.23.4 All building material is to be protected from dispersion into the surrounding terrain by any means whatsoever.
 - 24.23.5 The generation of dust is to be strictly controlled. All builders' rubble is to be removed to a recognized dumping site on completion of the building.
- 24.24 If the Municipality is of the opinion that any premises or part thereof are not kept in a satisfactory state of maintenance, the Municipality may serve a notice on the owner/occupier or Association requiring that within a reasonable period as may be specified, such premises be brought in order or be restored to a satisfactory state of maintenance, failing which the necessary repairs can be undertaken by the Municipality for the account of the responsible party.

25. LANDSCAPING

The nature, content, and design of the gardens on any property, (including the establishment and maintenance of landscaping) in these areas must be properly maintained and shall be subject to the Architectural Guidelines relating to landscaping and standards required by the Association. Should the standards not be adhered to, the Association shall take such steps as it may deem necessary in order to ensure that the required standards are adhered to and will charge the owner accordingly. Gardens and trees planted shall not unduly detract from the views and the reasonable enjoyment of the property by any owner. The Board of Trustees may determine whether a particular garden transgresses this rule.

26. RULES OF THE HOMEOWNERS' ASSOCIATION

- 26.1 As from the date of proclamation of the Development (date of first transfer) these rules shall apply and all Residents and Owners shall be required to abide thereby, a copy of such Rules are attached hereto marked "B". Subject to any entrenched rules, the Trustees have the power to make, add to, amend, or repeal these rules subject to the approval of the Developer. Any such variations will become applicable to all Owners as defined with effect from their adoption.
- 26.2 In the event of any breach of the rules by the members of an owner's household, his guests, lessees, clients, invitees or employees, such breach shall be deemed to have been committed by the owner himself, but without prejudice to the a foregoing, the Board of Trustees may take or cause to be taken such steps against the person actually committing the indiscretion as they in their discretion may deem fit.

27. GENERAL

In general, where no specific rules are applicable, the Trustees reserve the right to mandate the Manager to issue rules from time to time at his discretion, subject to the Association's written approval.