

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

**2006/015709/08**Name of company **ICON PARK PROPERTY MANAGEMENT** (ASSOCIATION INCORPORATED UNDER SECTION 21)

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

**1. INTERPRETATION**

1.1 In these articles, unless the context otherwise indicates:

- 1.1.1 "**authorised representative**" means a person authorised in terms of the Act by a company or a body corporate to act as its representative at any general meeting of the company.
- 1.1.2 "**capital**" means the share capital of the company consisting of shares of par value or shares of no par value.
- 1.1.3 "**common facilities**" is a reference to the pump-house, the cemetery, the security monitoring control room and certain common areas of the security fencing and their attachments.
- 1.1.4 "**company**" means this company as constituted by its Memorandum of Association and may also be referred to as "Association" in these Articles
- 1.1.5 "**Association**" is referred to as "company" defined above.
- 1.1.6 "**erf**" or "**erven**" is a reference to any portion of land in the township, **SUNDERLAND RIDGE EXTENTION 10**, capable of being separately registered into the name of any person.
- 1.1.7 "**member**" means a member of the Association.
- 1.1.8 "**memorandum**" means the Memorandum of Association of the company in force for the time being.
- 1.1.9 "**owner**" means a registered owner of an erf.
- 1.1.10 "**person**" includes any company incorporated or registered under any law and any body of persons corporate or incorporate.
- 1.1.11 "**poll**" means a ballot taken in value and not in number as determined by the Chairman of the

meeting.

- 1.1.12 **"share"** in relation to the company, means a share in the share capital of the company.
  - 1.1.13 **"sign"** includes the reproduction of a signature by lithography, printing, or any kind of stamp or any other mechanical process, and "signature" has the corresponding meaning.
  - 1.1.14 the **"property"** or **"properties"** or **"townships"** is a reference to **SUNDERLAND RIDGE EXTENTION 10** more commonly known as **ICON INDUSTRIAL PARK**.
  - 1.1.15 **"the Act"** means the Companies Act, 1973 or any Act by which it is replaced.
  - 1.1.16 **"these articles"** means the Articles of Association of this company.
  - 1.1.17 **"the Budget"** means the estimate of Income and Expenses of the Homeowner's Association for a specific year.
  - 1.1.18 **"the Business "** means the management and maintenance of all common facilities as well as common interests of all common facilities as well as common interests of all members as owners of units in the development situated on the property and known as **ICON INDUSTRIAL PARK**.
  - 1.1.19 **"the Chairman or Deputy Chairman"** means the Chairman or Deputy Chairman of the Directors.
  - 1.1.20 **"the developer"** means **RUGGED PROPERTY INVESTMENTS (ONE)**
  - 1.1.21 **"the Directors"** means the directors for the time being of the Association and the alternate directors thereof or, as the case may be, the directors assembled at a meeting of directors at which a quorum is present.
  - 1.1.22 **"the register"** means the register of members of the Association.
  - 1.1.23 **"the rules"** means the rules made by the directors including the "Architectural Design Guidelines" as well as the "Dolomite Risk Management Plan" in terms of the Articles as they may apply from time to time.
  - 1.1.24 **"writing"** means written, printed or lithographed or partly one and partly another, and other modes of representing or producing words in a visible form.
- 1.2 words importing any gender include the other genders and words importing the singular number include the plural, and vice versa.
  - 1.3 any word or expression which is defined in the Act and which is not otherwise defined in these articles shall have the meaning assigned thereto in the Act as in force at the date of incorporation of the company.
  - 1.4 these articles shall be deemed to authorise the company to do anything which the Act empowers a company to do if so authorised by its articles, unless that authority is expressly excluded.

**2. MEMBERSHIP**

- 2.1 Membership of the Association is limited to the developer, the subscribers to the Memorandum and Articles of Association and all persons who are owners of erven at Sunderland Ridge X10.
- 2.2 Where two or more persons are owners of a unit, all the owners of that unit shall be deemed to be one member of the Association.
- 2.3 Every owner of a unit in Icon Industrial Park will be a member of the company. Such person will become a member of the company immediately he becomes a registered owner of any one or more unit and will remain a member for as long as he owns a unit that is registered in his name. The member shall cease to be a member as soon as he is no longer the registered owner of a unit in Icon Industrial Park.
- 2.4 Apart from the cessation of membership provided for in clause 2.3 above, a member shall cease to be a member immediately-
- (a) in the case of a natural person-
    - (i) on such member's death in which event his executor will be bound as a member until the erf is transferred out of his estate,
    - (ii) if such member becomes a lunatic or of unsound mind in which event any curator appointed for him will be bound as a member or
    - (iii) if such member's estate is surrendered or sequestrated, whether voluntarily or compulsorily, in which event the appointed trustee will be bound as a member.
  - (b) in the case of a member which is not a natural person if such member is liquidated, wound up or placed under judicial management, whether provisionally or finally and whether compulsorily or voluntarily, in which event he will be bound as a member by his trustee.

**3. RESTRICTION AGAINST RESIGNATION**

A member may not resign as a member of the Association for so long as he is the owner of a unit in Icon Industrial Park.

**4. CERTIFICATES**

Subject to the provisions of the Act, certificates of membership may be issued under the authority of the Directors in such manner and form as the Directors may determine from time to time.

**5. REGISTER OF MEMBERS**

The Association shall keep a register of members at the place and in the manner specified in the Act.

**6. GENERAL MEETINGS AND PROCEEDINGS**

- 6.1 Subject to the proviso that a general meeting of members shall be held within 6 (six) months after the end of each financial year as the Association's Annual General Meeting, general meetings

shall be held in accordance with the provisions of the Act, at such time and place as may be determined by the Directors.

- 6.1.1 An Annual General Meeting and a meeting called for the passing of a Special Resolution shall be called by giving not less than 21 (twenty-one) clear days' notice and any other general meeting shall be called by giving not less than 14 (fourteen) clear days' notice.
  - 6.1.2 The notice shall be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is held and it shall specify the place, the day and the hour of the meeting and shall state the general nature of the business to be transacted at the meeting.
  - 6.1.3 Notice shall be given to all members of the Association in writing or per email.
  - 6.1.4 A meeting of members shall, notwithstanding the fact that it is called by shorter notice than that specified above in this clause, be deemed to have been duly called if it is so agreed upon by not less than 95 (ninety five) percent of the members having a right to attend and vote at the meeting.
  - 6.1.5 The Directors may, whenever they think fit, convene a general meeting.
  - 6.1.6 A general meeting may also be convened by the Directors on a requisition made in terms of Section 181 of the Companies Act, or should the Directors not do so, it may be convened by the requisitions as provided for and subject to the provisions of the said section of the Act.
- 6.2 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 consideration of the Budget and levies payable, the appointment of an Auditor and may deal with any other business laid before it. All business lay before any other general meeting shall be considered special business. Notwithstanding the aforesaid, the developer shall have the privilege of appointing the Auditor, who presently shall be E.T.A. Accountants represented by Aneez Tayob, during the period that the developer is the majority stand holder at the scheme.
- 6.3 At every general meeting:
- 6.3.1 every member present in person or by proxy and entitled to vote shall have one vote for each stand registered in his name;
  - 6.3.2 if a unit is registered in the name of more than one person, then all such co-owners shall jointly have one vote.
  - 6.3.3 The developer of the township shall have one vote in respect of each erf remaining registered in its name (whether separately or as part of the remainder of the property), even after the sale of such property but before it shall have been transferred to the purchaser thereof.
  - 6.3.4 No person other than a member duly registered and who shall have paid every levy and other sum due by it to the Association or his proxy shall be entitled to be present or to vote at any general meeting.
  - 6.3.5 No objection shall be raised to the admissibility of any vote except at the meeting or adjourned meeting 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.

- 6.3.6 A member shall be entitled to appoint a proxy in writing to attend, speak and vote (whether on a show of hands or on a poll) in his stead at any general meeting in accordance with the Act, to be effective at a meeting or adjourned meeting.
- 6.3.7 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 24 (twenty four) hours before the commencement of the meeting or adjourned meeting concerned, but the directors may from time to time determine that such documents:
- a) are to be lodged at a particular place; or
  - b) are to be lodged a certain number of hours not exceeding 48 (forty eight) hours before the meeting; or
  - c) may be lodged at any time before or during the meeting.
- 6.3.8 Notwithstanding the aforesaid, the chairman of the meeting may agree to accept a proxy tendered at any time before or during the meeting.
- 6.3.9 A proxy shall only be valid for the meeting stated.
- 6.3.10 The instrument appointing a proxy shall be in such format as the directors may determine from time to time and failing such determination, it shall be in writing, shall effect the full name of the giver of the proxy and the full name of the holder of the proxy as well as the property registered in the name of the giver of the proxy and shall indicate the resolutions in respect of which the proxy is to vote and whether the proxy is to vote in favour or against the resolution or to abstain. The proxy shall be signed by the giver thereof and his signature shall be dated and witnessed.
- 6.3.11 The proxy need not be a member of the Company.
- 6.4 Unless a general meeting determines that there shall be a greater quorum, a quorum for a general meeting shall be one third of the members of the Association, present in person or by proxy.
- 6.5 Should a quorum not be present within thirty minutes after the appointed time for a general meeting, the general meeting, if convened by or on a requisition of members, shall be dissolved and in any other case shall stand adjourned to the same day (or if that day is a public holiday, the next business day) in the next week at the same time and place, and a quorum at the resumption of the general meeting shall be the members present in person or by proxy at that meeting.
- 6.6 The chairman or, failing him, a deputy chairman of the directors (or if more than one of them is present and willing to act, the most senior of them) shall be the chairman of each general meeting, provided that if no chairman or deputy chairman is present and willing to act, the

members present shall elect one of the directors or, if no director is present and willing to act, a member, to be chairman of that general meeting.

- 6.7 The chairman of a general meeting shall, if obliged to do so in terms of the Act and may, in his discretion in any other circumstances, adjourn that general meeting from time to time.
- 6.8 Subject to the provisions of the Act, it shall not be necessary to give notice of any adjournment of a general meeting.
- 6.9 No business shall be transacted at the resumption of any adjourned general meeting other than the business left unfinished at the general meeting from which the adjournment took place.
- 6.10 At any general meeting, each member who is present in person, by authorised representative or by proxy shall have one vote in respect of each erf registered in his name. Co-owners of any erf shall only have one vote among them on a show of hands or on a poll.
- 6.11 A member whose levy, approved by the Association and which is due and payable, is not fully paid up shall not be entitled to vote at any general meeting of members.
- 6.12 At any general meeting of members a resolution put to the vote shall be decided by a show of hands unless a poll is demanded (on or before the declaration of the result of a show of hands)-
- 6.12.1 by the chairman of the meeting;
- or
- 6.12.2 in accordance with the provisions of the Act.
- 6.13 On a show of hands at a general meeting a declaration by the chairman as to the result of the voting on any particular resolution and an entry to that effect in the minutes shall be conclusive proof of that result, without proof of the number or proportions of votes recorded in favour of, against and as abstaining from such resolution.
- 6.14 If a poll is demanded at a general meeting-
- 6.14.1 on the election of a chairman or on an adjournment, the poll shall be taken immediately and in such manner as the general meeting determines, and a poll on any other question shall be taken at such time and in such manner as the chairman of the general meeting directs;
- 6.14.2 the result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded;
- 6.14.3 the demand shall not preclude the general meeting from considering any question other than that on which the poll has been demanded unless the general meeting decides otherwise;
- 6.14.4 the demand may be withdrawn at any time.
- 6.15 No objection shall be taken to the admission or rejection of any vote except at the general meeting

at which the vote in dispute is cast, or, if it is adjourned, the resumption thereof. The chairman of that general meeting or resumed general meeting shall determine any issue raised by such objection and his determination shall be final and binding.

- 6.16 A resolution in writing signed by all members entitled to receive notice of and to attend and vote at a general meeting shall be as valid and effective as if it had been passed at a general meeting properly called and held. Any such resolution may consist of several documents, each of which may be signed by one or more members and shall be deemed to have been passed on the date on which it was signed by the last member who signed it, unless a statement to the contrary is made in that resolution.

## **7 PROXIES**

- 7.1 A proxy form, power of attorney or other authority in respect of a general meeting shall be in writing and signed by or on behalf of the grantor.
- 7.2 Subject to the provisions of the Act, a proxy form shall-
- 7.2.1 be in such form as is approved or accepted by the directors;
  - 7.2.2 be deposited with the Chairman before commencement of the general meeting, or resumption of an adjourned general meeting at which the person named therein proposes to vote;
  - 7.2.3 in addition to the authority conferred by the Act, except insofar as it provides otherwise, be deemed to confer the power generally to act at the general meeting in question, subject to any specific direction as to the manner of voting;
  - 7.2.4 be valid at every resumption of an adjourned meeting to which it relates, unless the contrary is stated thereon;
  - 7.2.5 not be used at the resumption of an adjourned general meeting if it could not have been used at the general meeting from which it was adjourned for any reason other than it was not lodged timeously for the meeting from which the adjournment took place;
  - 7.2.6 not be valid after the expiry of two months after the date when it was signed unless it specifically provides otherwise.
- 7.3 A vote cast or act done in accordance with the terms of a proxy form shall be deemed to be valid notwithstanding-
- 7.3.1 the previous death, insanity, or any other legal disability of the person appointing the proxy,  
or
  - 7.3.2 the revocation of the proxy,  
or
  - 7.3.3 the transfer of a share in respect of which the proxy was given, unless notice as to any of the abovementioned matters shall have been received by the Association at the office or by the

chairman of the meeting at the place of the general meeting if not held at the office, before the commencement or resumption (if adjourned) of the general meeting at which the vote was cast or the act was done or before the poll on which the vote was cast.

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

ICON PARK PROPERTY MANAGEMENT

I.....  
of.....being a member of ICON PARK PROPERTY MANAGEMENT  
hereby appoint ..... or failing him  
.....  
as my/ our proxy to vote for me/ us on my/ our behalf, at the Annual General Meeting/ General Meeting of the  
Company to be held on ..... as follows:

	IN FAVOUR OF	AGAINST	ABSTAIN
RESOLUTION 1			
RESOLUTION 2			
RESOLUTION 3			

(Indicate instruction to proxy by way of a cross in space provided above.)  
Unless otherwise instructed, my proxy may vote as he thinks fit.

Signed this.....day of.....

.....  
Signature

8 **DIRECTORS**

8.1 Subject to the provisions of the Act,

8.1.1 unless otherwise determined by a general meeting, the number of directors shall not be less than 3 (three);

8.1.2 apart from the first directors, the members shall appoint the directors by majority vote in annual general meetings.

8.2 A general meeting of the directors shall have the power, from time to time, to appoint anyone as a director, either to fill a vacancy in the directors or as an additional director, provided that the total number of directors shall not at any time exceed the maximum number fixed by or in accordance with these articles and the appointment of any director so appointed shall cease at the conclusion of the next annual general meeting, unless it is confirmed at that annual general meeting and provided further that the board shall at all times during the development period consist of four persons appointed by the developer.



- 8.3 The continuing directors may act, notwithstanding any vacancy in their number, but if and for so long as their number is reduced below the minimum number of directors required to act as such for the time being, the continuing directors may act only to-
- 8.3.1 increase the number of directors to the required minimum,
  - or
  - 8.3.2 summon a general meeting for that purpose, provided that if there is no director able or willing to act then any member may convene a general meeting for that purpose.
- 8.4 The directors shall not be paid any remuneration for their services as such unless a specific agreement is reached between the Association and any executive director and is signed by or on their behalf.
- 8.5 The directors may be paid any travelling, subsistence and other expenses properly incurred by them in the execution of their duties in or about the business of the Association and which are authorised or ratified by the directors.

## 9 ALTERNATE DIRECTORS

- 9.1 Each director may by notice to the company-
- 9.1.1 nominate anyone or more than one person in the alternative (including any of his co-directors) to be his alternate subject to the approval of the other directors of that alternate, which approval shall not be unreasonably withheld;
  - 9.1.2 at any time terminate any such appointment.
- 9.2 The appointment of an alternate director shall terminate when the director to whom he is an alternate director-
- 9.2.1 ceases to be a director;
  - or
  - 9.2.2 terminates his appointment;
  - or
  - 9.2.3 If the directors reasonably withdraw their approval to his appointment.
- 9.3 An alternate director shall-
- 9.3.1 only be entitled to attend or act or vote at any meeting of directors if the director to whom he is an alternate is not present, provided that-
    - 9.3.1.1 he may attend a meeting of directors at which the director to whom he is an alternate is present if the other directors agree thereto;
    - 9.3.1.2 any person attending any meeting of directors as a director in his own right and/or as an alternate for one or more directors shall have one vote in respect of each director

whom he represents, including himself if he is a director;

9.3.2 only be entitled to sign a resolution passed otherwise than at a meeting of directors in terms of these articles if the director to whom he is an alternate is then absent from the town in which the office is situate, or if incapacitated;

9.3.3 subject to the abovementioned, generally exercise all the rights of the director to whom he is an alternate in the absence or incapacity of that director;

9.3.4 in all respects be subject to the terms and conditions existing with reference to the appointment, rights and duties and the holding of office of the director to whom he is an alternate, but shall not have any claim of any nature whatever against the company for any remuneration of any nature whatever.

## 10 **POWERS AND DUTIES OF THE DIRECTORS**

10.1 Subject to any limitation imposed by these articles, the management of the business and the control of the company shall be vested in the directors who, in addition to and without limitation of the powers expressly conferred upon them by the Act or these articles, may exercise or delegate to any one or more persons all such powers and do or delegate to any one or more persons the doing of all such acts (including the right to sub-delegate) as may be exercised or done by the company and are not in terms of the Act or by these articles expressly directed or required to be exercised or done by a general meeting, subject, nevertheless, to that management and control-

10.1.1 not being inconsistent with;

and

10.1.2 being in compliance with,

any resolution passed by a general meeting. No such resolution passed by a general meeting shall invalidate any prior act of the directors or any delegates.

10.2 A director shall, if he has, in accordance with the Act, disclosed his interest (if it is material) in the relevant contract or arrangement-

10.2.1 be counted in a quorum for the purpose of a meeting of directors at which he is present to consider any matter, and

10.2.2 be entitled to vote in regard to any matter, relating to any existing or proposed contract or arrangement in which he is interested, other than a contract or arrangement regulating his holding of an office or place of profit under the company or a subsidiary of the company.

## 11 **DISQUALIFICATION OF DIRECTORS AND TERMINATION OF DIRECTORSHIP**

A director shall cease to hold office as such if he-

- 11.1 is prohibited from being or is removed as or is disqualified from acting as a director of a company in terms of the Act;
- 11.2 gives notice to the company of his resignation as a director with effect from the date of, or such later date as is provided for in, such notice;
- 11.3 absents himself from meetings of directors for three consecutive meetings without the leave of the other directors, and they resolve that his office shall be vacated, provided that this provision shall not apply to a director who is represented by an alternate who does not so absent himself;
- 11.4 is given notice, signed by members holding in the aggregate more than 50% of the total voting rights on a poll of all members then entitled to vote on a poll at a general meeting, of the termination of his appointment.

Notwithstanding the above, each director shall be deemed to have retired from office at the next Annual General Meeting but will be eligible for re-election as director at such meeting. The developer shall remain in office as director until such time as he is not the majority stand holder at the scheme.

## 12 **PROCEEDINGS OF DIRECTORS**

- 12.1 The directors may-
  - 12.1.1 meet, adjourn, and otherwise regulate their meetings as they think fit and any director shall be entitled to convene or direct the secretary to convene a meeting of the directors;
  - 12.1.2 determine what notice shall be given of their meetings and the means of giving that notice.
- 12.2 Unless otherwise determined by the company in general meeting, or by a meeting of the directors shall be a majority of the directors for the time being in office during the development period, provided at least two directors (or their proxies) representing the developer are present. A resolution of directors shall be passed by a majority of the votes of the directors present at the meeting at which it is proposed.
- 12.3 The directors may elect a chairman and a deputy chairman or deputy chairmen of the directors and determine the period for which each is to hold office. If more than one deputy chairmen meeting of directors, the chairman of the directors, or if he is not present or willing to act as such, the most senior deputy chairman present and willing to act as such, shall act as chairman. If no chairman or deputy chairman has been elected, or is present and willing to act as such, the directors present at any directors' meeting shall choose one of their number to be chairman of the meeting.
- 12.4 Subject to the provisions of the Act, a resolution signed by all the directors (or their alternates, if applicable) whose number is not less than that of a quorum for a meeting of directors, and

inserted in the minute book, shall be as valid and effective as if it had been passed at a meeting of directors. Any such resolution may consist of several documents, each of which may be signed by one or more directors (or their alternates, if applicable) and shall be deemed to have been passed on the date on which it was signed by the last director who signed it (unless a statement to the contrary is made in that resolution).

### 13 **INDEMNITY**

- 13.1 Every director, alternate director, manager, secretary and other officer of the company and any person employed by the company as its auditor shall be indemnified out of the company's funds against all liability incurred by him in defending any proceedings (whether civil or criminal) arising out of any actual or alleged negligence, default, breach of duty or breach of trust on his part in relation to the company in which judgment is given in his favour or in which he is acquitted or in connection with any matter in which relief is granted to him by the court in terms of the Act.
- 13.2 Every director, servant, agent or employee of the Association shall be indemnified by the Association against, and it shall be the duty of the directors to pay out of the funds of the Association, all costs, losses and expenses (including travelling expenses) which such person/s may incur or become liable for by reason of any contract entered into or any act or deed done by such person/s in the discharge of any of his/their respective duties save in the case of gross negligence.

### 14 **NOTICES**

- 14.1 Subject to the provisions of these articles, a notice shall be in writing and shall be given or served by the company upon any member or director either by delivery or by sending it through the post, properly addressed, to-
- 14.1.1 a member at his address shown in the register of members or if no such address is so recorded, then at the property owned by the member in the estate;
- 14.1.2 a director at his postal address shown in the directors' register.
- 14.2 A member may by written notice require the company to record an address within the Republic which shall be deemed to be his address for the purpose of the service of notices. The member shall bear the onus of proof that he has notified the company of such address failing which the address referred to in 14.1 shall remain effective.
- 14.3 Every notice to a member shall be deemed, until the contrary is proved, to have been received-

14.3.1 if it is delivered to the member, on the date on which it is so delivered (whether such delivery is at an address of which the member notified the company or is delivered at the property owned by the member in the estate); or

14.3.2 if it is sent by post, on the seventh day after the date on which it is posted to the address referred to in clauses 14.1. or 14.2. above.

14.4 When a given number of days' notice or notice over any period is required to be given the date on which it is deemed to be received shall not be counted in such number of days or period.

14.5 The omission to give notice of a general meeting or of a meeting of directors to or the non-receipt of, or delay in transmission through the post of, any such notice by or to any member or director, as the case may be, shall not invalidate any resolution passed at any such meeting.

## 15 **LEVIES ON MEMBERS AND EXPENSES INCURRED**

15.1 The company through its directors shall levy contributions from its members in order to fund the company's business and attain its main objectives.

15.2 Each member's contribution to the fund shall be determined by dividing the size of an individual owner's erf by the combined size of all other erven in the township except the common property.

15.3 It is recorded that apart from administration costs in relation to the company's business, the company shall levy contributions from its members with regard to the upkeep, maintenance, management and control of all common facilities.

15.4 If, in the sole discretion of the developer, while he is the majority stand holder in the scheme, which shall later revert to the directors:

15.4.1 Any expense incurred is directly attributable to or increased by the specific use to which any unit is put, the member who is the owner of the relevant erf shall be liable for such expenses or additional expenses as the case may be, and

15.4.2 Any facility or service is utilised by any member to such an extent as to reasonably justify a greater contribution to the relevant expenses than a contribution calculated in accordance with 15.2 above, the directors shall be entitled to make such special levy upon the relevant member as may be reasonable in the circumstances.

15.5 The directors shall, prior to the end of each financial year, prepare an itemised estimate of the anticipated income and expenditure, which may include reasonable provision for contingencies, of the Association for the ensuing financial year, estimate the amount required to be levied upon the members during the ensuing financial year and levy such estimated amount upon the members.

15.6 The directors shall advise each member in writing as to the amount payable by them.

15.7 Such amount shall be payable in equal monthly (or such other intervals as the directors may from time to time determine) instalments payable in advance on the 1<sup>st</sup> day of the month.

- 15.8 The directors may from time to time levy special levies upon owners or call upon them to make special contributions in respect of expenses which are not included in any estimate made in terms of 15.5 above. Such levies and contributions may be payable in one sum or such instalments and at such time or times as the directors deem fit.
- 15.9 Interest shall be payable on arrear levies at such rate as may be determined by the directors from time to time.
- 15.10 Any amount due by a member by way of levies or interest thereon shall be a debt due to the Association.
- 15.11 The obligation of a member to pay levies shall cease upon his ceasing to be a member of the Association, without prejudice to any rights to recover arrear levies and interest thereon.
- 15.12 No levies or interest legitimately levied upon a member and paid by such member, shall be repayable by the Association upon such member ceasing to be a member.
- 15.13 A member's successor in title to an erf shall be liable to make contributions as from the date upon which he becomes a member pursuant to the transfer of the erf in his name.
- 15.14 A member shall be liable for and pay all legal costs, including costs between attorney and client and collection commission, expenses and charges incurred by the Association in obtaining the recovery of arrear amounts due and owing by such member to the Association.
- 15.15 No member shall be entitled to any privileges of membership unless and until he shall have paid every levy and interest thereon, and any other sum, if any, which may be due and payable by that member to the Association, from whatsoever cause arising.

16 **RULES.**

- 16.1 Subject to any restrictions imposed or directions given at a general meeting of the Association, the directors may from time to time make rules in regard to the use and enjoyment of common facilities including in particular and without limiting the generality of the a foregoing with regard to:
- 16.1.1 The preservation of the natural environment including vegetation and flora and fauna on the land,
- 16.1.2 The use and allocation of private parking areas for owners of property forming part of the scheme including their guests,
- 16.1.3 The storage of flammable and other harmful substances,
- 16.1.4 The conduct of any person and the prevention of nuisance of any nature to the owner of any property forming part of the development,
- 16.1.5 The introduction of any traffic calming measures,
- 16.1.6 The introduction and maintenance of security facilities,
- 16.1.7 The imposition of fines and other penalties that may be payable by and enforced against members of the Association,
- 16.1.8 Such other matters as may be necessary for the harmonious and beneficial use and

enjoyment of the development,

16.1.9 The aesthetic appearance, design, specification and maintenance of the units and outbuildings, and

16.1.10 Restrictions against parking.

16.2 All rules made by the directors in accordance with 16.1 above, shall be reasonable and shall apply equally to all owners of erven.

16.3 For the purpose of the enforcement of any rules made by the directors in terms hereof, the directors may:

16.3.1 Take or cause to be taken such steps as they may consider necessary to remedy the breach of the rule of which the member may be guilty 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 Association,

16.3.2 Take such other action, including court proceedings, as they may deem fit.

16.4 In the event of any breach of the rules by any member's tenants or his guests, such breach shall be deemed to have been committed by the member himself, but without prejudice to the aforementioned, the directors may take or cause to be taken such steps against the person actually committing the breach as they in their discretion may deem fit.

16.5 In the event of any member disputing the fact that he has committed a breach of any of the rules:

16.5.1 A committee of 3(three) directors appointed by the developer while he is the majority stand holder at the scheme and such duty shall later revert to the chairman for that purpose, shall adjudicate upon the issue at such time and in such manner and according to such procedure as the chairman may direct.

16.5.2 Notwithstanding the aforesaid, the directors may in the name of the Association enforce the provisions of any rule by proceedings in a court of law and for this purpose may appoint such attorney and counsel as they may deem fit. The developer reserves the right to appoint D.P.du Plessis Attorneys to facilitate the proceedings.

16.6 Each member undertakes to the Association that he shall comply with all rules made in terms of 16.1 above.

16.7 The directors shall be empowered and responsible to implement and enforce the rules and regulations of the company, and to amend, add to, replace or delete such rules from time to time. Any such resolution affecting the following items, however, shall require the consent of 75% of all members before it may be implemented:

16.7.1 any change of use of any of the common facilities;

16.7.2 the alteration of the site development, provided further that the developer, while it is still an owner, shall have a right to veto any decision relating to any alteration to the site development plan.

17 **MAINTENANCE AND FACILITIES.**

The directors shall have the power, without prejudice to any other rights of the Association, to:

- 17.1 Maintain the security facilities and services on and about the property,
- 17.2 Engage the services of a security company or other personnel to patrol the property and generally provide security services to the property,
- 17.3 Monitor access to the property,
- 17.4 Maintain the entrance and guardhouse to monitor access to the property,
- 17.5 Control parking and introduce traffic calming measures,
- 17.6 Perform such other acts and functions as may be reasonably necessary to give effect to the main objectives of the Association.

18 **BUILDING REQUIREMENTS**

- 18.1 In order to maintain high and safe standards and to ensure an attractive and harmonious development, no building or structure may be erected on any erf, and the external appearance (including colour) of any existing or future building or structure may not be changed, unless the architectural design, plans and specifications (including materials) of such building or structure have been approved in writing by the Association or an architect nominated by it or the developer.
- 18.2 Such proposed structure or existing structure or changes to structures shall comply with the "Architectural Design Guidelines" as acknowledged by each owner of an erf in the development and each owner hereby binds themselves and their tenants to comply and adhere to the "Dolomite Risk Management Plan" including all Environmental Codes of Practice. Should there be any costs involved regarding the complying with any of the aforementioned plans, such costs are to be borne by the owner involved. (see Annexure A & B)
- 18.3 For the purpose of 18.1 and 18.2 above, the directors shall be entitled to establish an aesthetics committee which shall be comprised of such persons as may be appointed by the directors.
- 18.4 All buildings and structures shall be built in a good and proper manner, strictly in accordance with the plans and specifications approved as per 18.1 and 18.2 above including all National Building Regulations.
- 18.5 Such erf and all improvements thereon shall be kept and maintained in a neat and tidy condition to the satisfaction of the Association.

19 **RESTRICTION AGAINST ALIENATION**

- 19.1 No erf may be sold, transferred, leased or otherwise alienated or disposed of to any person without the prior written approval of the Association which approval shall not be unreasonably withheld, and unless:



19.1.1 The person to whom the erf is to be transferred has agreed in writing to be and remain a member of the Association for so long as he is and remains the registered owner of the erf, and

19.1.2 The Association has certified in writing that:

19.1.2.1 The provisions of 19.1 have been complied with, and

19.1.2.2 All levies due by the registered owner have been fully paid to the satisfaction of the Association.

19.1.2.3 All provisions of the Articles of Association have been complied with.

19.2 No erf may be marketed or offered for sale or rented through any agent other than an estate agent approved in writing by the Association which approval shall not be unreasonably be withheld by the Association.

19.3 Notwithstanding the provisions of 19.1 above, the registration of transfer of an erf to any person shall ipso facto constitute that that person becomes a member of the Association.

## 20 **ACCOUNTS:**

20.1 The directors shall cause proper books of account to be kept with respect to:

20.1.1 all sums of money received and expended by the Company and the matter in respect of which the receipt and expenditure takes place;

20.1.2 all sales and purchases of goods by the Company; and

20.1.3 the assets and liabilities of the Company.

20.2 The books of account shall be kept at the registered office of the Company or at such other place/s as the Directors think fit, and shall always be open to the inspection of the directors.

20.3 The Directors, shall from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company, or any of them, shall be open to the inspection of the members, not being directors, and no member, not being a director, shall have any right of inspecting any account or document of the Company except as conferred by statute or authorised by the directors or by the Company in a General Meeting or the Association's auditors.

20.4 The directors, shall from time to time, cause to be prepared and to be laid before the Company in General Meeting profit and loss accounts, balance sheets and reports.

20.5 A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the Auditor's Report shall, not less than 7 (seven) days before the date of the meeting, be sent to all persons

entitled to receive Notices of General Meetings of the Company.

21 **BANKING**

All monies, bills and notes belonging to the Company shall be paid to or deposited with the Company's Bankers to an account to be opened in the name of the Company or held in trust through a managing company. The Company's banking account shall be kept with such banker/s as the directors shall from time to time determine.

22 **AUDIT**

Auditors shall be appointed and their duties regulated in accordance with the Act.

23 **NOTICE OF GENERAL MEETING**

Notice of every General Meeting shall be given in the manner described in 6 and 14 above to every member, except those members who, having no registered address within the Republic of South Africa or have not supplied the Company with an address within the Republic of South Africa. No other persons shall be entitled to receive Notices of General Meetings.

24 **OTHER PROFESSIONAL OFFICERS**

Save as specifically provided otherwise in these Articles, the directors shall, at all times, have the right to engage on behalf of the Company, the services of Accountants, Auditors, Attorneys, Advocates, Architects, Engineers, Estate Managers, Risk Managers or any other professional person or firm.

25 **ARBITRATION**

25.1 Should any doubt, difference of opinion or disagreement ("dispute") arise out of or in connection with any aspect of the provisions of the Memorandum and Articles of the Company including, but without limitation, the interpretation of any aspect thereof, then if the members and/or directors cannot resolve the dispute by agreement between them, any member and/or director shall be entitled to require that the dispute be submitted to arbitration in terms of this clause.

25.2 The arbitrator shall be, if the dispute is:

25.2.1 primarily an accounting matter, an independent Chartered Accountant, practising as such in Gauteng, Republic of South Africa, of not less than 15 (fifteen) years' standing; or

25.2.2 primarily a legal matter, a Senior Advocate or Attorney, practising as such in Gauteng, Republic of South Africa, of not less than 15 (fifteen) years' standing; or

25.2.3 any other matter, a suitably qualified independent person nominated and appointed by the

parties, and, failing agreement between them, on such nomination or appointment within 5 (five) days after the date on which the arbitration is demanded, or, failing agreement between the parties within such five day period as to whether the dispute concerned is primarily an accounting, legal or other matter as aforesaid then in all such instances, the Arbitrator shall be nominated by the President at that time of the Law Society of the Northern Provinces, who may be instructed by any party to make such nomination and appointment forthwith after the expiry of the aforesaid five day period, and his nomination in such circumstances shall be final and binding on the parties and carried into effect accordingly.

25.3 The arbitration shall be held at a venue in Gauteng in the Republic of South Africa, and in accordance with formalities and/or procedures determined by the Arbitrator in his sole and absolute discretion and shall be held in an informal and summary manner, that is, on the basis that it shall not be necessary to observe and carry out any usual formalities, procedure and/or other requirements normally applicable to judicial arbitration proceedings, nor shall it be necessary to apply the strict rules of evidence.

25.4 The Arbitrator shall be entitled to:

25.4.1 investigate or cause to be investigated any fact, matter or thing, which he may consider to have bearing on the dispute and, for that purpose he shall have the widest powers of investigation and the right to take copies of or make extracts from books or records of whatsoever nature pertaining to all/any of the parties and/or to have the same produced and/or delivered to him at any reasonable place required by him for such purpose.

25.4.2 interview and question under oath or otherwise as he shall determine all/any of the parties (or their duly authorised representatives and/or staff);

25.4.3 decide the dispute according to such principles as he shall consider just and equitable in the circumstances;

25.4.4 make such award, including any award for specific performance, an injunction, damages, interdict, penalty and/or costs (on any scale) as he, in his sole and absolute discretion, may deem appropriate in the circumstances.

25.5 The arbitration shall be held as quickly as possible after it has been demanded with a view to it being completed within a maximum of 14 (fourteen) days after such demand is made.

25.6 Immediately after the Arbitrator has been nominated and appointed as aforesaid, any party shall be entitled to call upon the Arbitrator to fix a date and place as aforesaid when and where the arbitration is to be held, and to settle the procedure and manner in which the arbitration proceedings will be held, as aforesaid.

25.7 Any award which may be made by the Arbitrator in accordance with the above shall be:

25.7.1 final and binding on the parties and not subject to appeal;

25.7.2 carried into effect by them; and

25.7.3 Capable of being made an Order of any court of competent jurisdiction.

26 **DISTRIBUTION OF INCOME**

Save as is provided in 27 below, no part of the income or property of the company shall be distributed to its members, and the same shall be applied solely towards the pursuit of the company's objects, provided that this article shall not be construed as prohibiting the payment of expenses to directors as provided for in 8.5.

27 **WINDING UP**

If the company is wound up whether voluntarily or compulsorily or deregistered or dissolved, the assets remaining after payment of the liabilities of the company and the costs of winding up shall be given or transferred to some other company or institution or companies or institutions having objects similar to the main object of the company, to be determined by the members of the company at or before the time of its dissolution or, failing such determination, by the Court.

28 **AMENDMENT**

These Articles of Association shall only be capable of being varied, altered added to or retracted by a resolution carried by not less than 80% (eighty percent) of members taken at a general meeting of members. No such resolution shall be capable of being taken until 50% (fifty percent) of the even in the estate shall have been transferred out of the developer's name to parties in which the developer has no financial interest or control or to whom the developer's members and/or directors are not related nearer than the second degree by blood or related by marriage.