

**CONSTITUTION OF
DEVONBOSCH SUB- HOME OWNERS' ASSOCIATION(S)**



DEVONBOSCH
Stellenbosch

DRAFT

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1 HEADING

1. Application of the Sectional Title Schemes Management Act

1.1 In terms of section 19 of the Sectional Titles Schemes Management Act No. 8 of 2011 ("**STSM Act**"), the Minister of Human Settlements published the Sectional Titles Schemes Management Regulations (the "**Regulations**").

1.2 Section 6(5) of the Regulations provide that if at the commencement of the STSM Act, the members of a Body Corporate are all Members of an association whose Constitution binds its members to assign the functions and powers of the Body Corporate to that association the Management Rules contained in Annexure 1 of the STSM Act will not apply.

1.3 It is accordingly recorded that Devonbosch will be a mixed-use development consisting of residential, commercial, retail, warehouses and/or industrial Erven and/or Sectional Title Schemes, as the case may be. Each Member of the Association is bound by this Constitution and the Members will specifically assign all the functions and powers that a Body Corporate of any registered Sectional Title Scheme would have, to a Sub-HOA to be formed for each specific Block in the development.

1.4 For the avoidance of doubt, it is specifically recorded that whilst Bodies Corporate will come into existence at the opening and registration of each Sectional Title Register and each owner of a section in such Sectional Title Scheme will be a member of such Body Corporate, these Bodies Corporate will not be fully operational and will not fulfil any functions in respect of the management of the Sectional Title Schemes nor the Devonbosch Estate other than nominating and appointing a board of Trustees as provided for in the Sectional Titles Act. A board of Trustees will represent each Body Corporate at the Sub-HOA and will assist with the implementation of the appropriate and approved Body Corporate Conduct Rules for each Sectional Title Scheme as provided for in the Sectional Titles Act or amended from time to time.

1.5 A board of Trustees will represent each Body Corporate at the Sub-HOA to assist the Sub-HOA's with the implementation of its Constitution that will regulate the management of each specific block in the Devonbosch Estate. The board of Trustees of each Body Corporate will furthermore be responsible for the implementation of the appropriate approved Body Corporate Conduct Rules for each separate Sectional Title Scheme as provided for in the Sectional Titles Act as amended from time to time.

- 1.6 The Association will in terms of the STSM Act notify the Community Schemes Ombud Service regarding the abovementioned management structure of Devonbosch.
- 1.7 The Bodies Corporates (represented by its elected board of Trustees) and Owners of sections in each Sectional Title Scheme, collectively and automatically, will thus all become Members of the Devonbosch Property Owners' Association and Members of the appropriate Sub-HOA. Each Sub-HOA will however also have its own constitution that will govern the management of such Sub-HOA in line with the Constitution of the Devonbosch Estate.
- 1.8 The Sub-HOA's will thus consist of the members of the respective Sectional Titles Schemes depending on the building of such Sectional Title Schemes and will from the board of Trustees of each Sectional Title Scheme, elect a MANCO to represent it at the Sub-HOA and to act in the best interests of all the members of the Sub-HOA.
- 1.9 The Association will in turn from its Members and the respective MANCO's of the different Sub-HOA's elect a EXCO to represent all Members' interests in respect of the Estate at any meetings conducted in terms of this Constitution. For further clarification, Appendix 1 of the Constitution sets out the organogram of the Association.

2 INTERPRETATION

- (1) In the interpretation of these rules, unless the context indicates otherwise —
- (a) "**adjudicator**" means an adjudicator acting in terms of the Community Schemes Ombud Service Act, 2011 (Act No. 9 of 2011);
 - (b) "**administrator**" means an administrator appointed in terms of section 16 of the Act;
 - (c) "**auditor**" means a person accredited to perform an audit in terms of the Auditing Professions Act, 2005 (Act No. 26 of 2005);
 - (d) "**Association**" means the Sub-HOA which is bound by the provisions of this Constitution and which comprises all Bodies Corporate in the Devonbosch Estate and "**Sub-HOA**" where used herein shall have the same meaning;
 - (e) "**body corporate**" means the board of elected trustees consisting of members of the scheme which includes each sectional title scheme in the development;

- (f) **"the developer"** means DB Property Development Company (Pty) Ltd, registration number 2011/136509/07 ("**DBPDC**"), together with any juristic persons who are related or interrelated persons of DBPDC, any subsidiaries of DBPDC and any holding company of DBPDC, as defined in sections 2 and 3 of the Companies Act No. 71 of 2008;
- (g) **"Community Schemes Ombud Service"** means the service established in terms of the Community Scheme Ombud Service Act, 2011 (Act No. 9 of 2011);
- (h) **"Devonbosch Estate"** means the estate to be constructed on Remainder of Portion 43, situate in the Stellenbosch Municipality, Administrative District Stellenbosch and which shall be known as *the Devonbosch Estate*, and on which the Scheme is situated;
- (i) **"POA"** means the Devonbosch Master Property Owners' Association established or to be established in respect of the Devonbosch Estate and to be known as the *Devonbosch Property Owners' Association*;
- (j) **"estimated cost"**, for the purposes of rule 22, means the estimated cost to maintain, repair or replace a major capital item;
- (k) **"expected life"**, for the purposes of rule 22, means the estimated number of years before it is expected that the cost of maintenance, repair or replacement of a major capital item will be incurred;
- (l) **"executive managing agent"** means a managing agent appointed to carry out all the functions and powers of the trustees in terms of rule 28;
- (m) **"the EXCO"** means the appointed board of members representing the entire Devonbosch Property Owners' Association as an executive committee;
- (n) **"future development right"** means a right to extend the scheme in terms of section 25 of the Sectional Titles Act;
- (o) **"the Greater Devonbosch Development"** means the development envisaged on the immovable properties currently known as –
- (i) Portion 9 (Remaining Extent) of the Farm Nooitgedacht Farm No. 65;
 - (ii) Portion 3 (Remaining Extent) of the Farm Koelenhof Farm No. 66;
 - (iii) Portion 10 of the Farm Koelenhof Farm No. 66; and
 - (iv) Remaining Extent of Farm Humeclay Farm No. 1059;

- (p) "**major capital item**", for the purposes of rule 22, means wiring, lighting and electrical systems, plumbing, drainage and storm-water systems, heating and cooling systems, any lifts, any carpeting and furnishings, roofing, interior and exterior painting and waterproofing, communication and service supply systems, parking facilities, roadways and paved areas, security systems and facilities and any other community and recreational facilities;
- (q) "**managing agent**" means any person who provides scheme management services to a body corporate for reward, whether monetary or otherwise, including any person who is employed to render such services;
- (r) "**MANCO**" means the board consisting of elected members of the Sub-HOA's to serve as the management company for all the Sub-HOA's;
- (s) "**member**" means a member of the body corporate and ultimately each relevant Sub-HOA and the Devonbosch Property Owners' Association;
- (t) "**past contribution**", for the purposes of rule 22, means the funds in the reserve fund of the body corporate in respect of the estimated cost;
- (u) "**primary section**" means a section designed to be used for human occupation as a residence, office, shop, factory or for any other type of use allowed in terms of local municipal by-laws, not being a utility section;
- (v) "**registered auditor**" means a person as defined in terms of the Auditing Professions Act, 2005 (Act No. 26 of 2005);
- (w) "**registered bondholder**" means the holder of a mortgage bond of whom the body corporate has been notified in terms of section 13(1)(f) of the Act;
- (x) "**reserve funds**" means an amount set aside by the body corporate to meet the unexpected costs that may arise in future, including future cost of maintenance;
- (y) "**Sectional Titles Act**" means the Sectional Titles Act, 1986, (Act No. 95 of 1986), as amended;
- (z) "**Sectional Title Scheme**" means any scheme established in terms of the provisions of the Sectional Titles Act;
- (aa) "**service address**" means the service address of a member or the body corporate in terms of rule 4;
- (bb) "**the Act**" means the Sectional Titles Schemes Management Act, 2011 (Act

No. 8 of 2011);

(cc) **“trustees”** means the members of the body corporate elected to form the board of trustees for a specific body corporate;

(dd) **“utility section”** means a section which, in terms of local municipality bylaws, is designed to be used as an accessory to a primary section, such as a bathroom, toilet, storeroom, workshop, shed, parking garage, parking bay or other utility area, not being a primary section.

(2) In the interpretation of these rules —

(a) words and expressions to which a meaning has been assigned in the Act or its regulations, bear those meanings;

(b) words importing-

(i) the singular must be interpreted to include the plural, and the plural to include the singular; and

(ii) any one gender must be interpreted to include all other genders; and

(c) the headings of rules must not be taken into account.

3 AMENDMENT AND BINDING NATURE

(1) The Sub-HOA may substitute, amend, repeal, or add to the management rules subject to and in accordance with the provisions of section 10 of the Act.

(2) A member must take all reasonable steps to ensure compliance with the conduct rules in force in terms of section 10(2)(b) of the Act by any tenant or other occupant of any section or exclusive use area, including the member's employees, guests, visitors and family members.

4 SERVICE ADDRESSES

(1) The Sub-HOA must, from time to time, determine the address that is its *domicilium citandi et executandi* in terms of section 3(1)(o) of the Act, provided that such service address must be –

(a) the physical address of a section in the scheme;

(b) the physical address of a duly appointed managing agent or administrator; or

(c) another physical address within the magisterial district in which the scheme is

located.

- (2) The MANCO may designate an email or other address as an alternate Sub-HOA service address.
- (3) A change of a Sub-HOA service address is effective when written notice of that address is lodged with the Community Schemes Ombud Service in the prescribed form.
- (4) The MANCO must, when they give the Community Schemes Ombud Service notice of a change of the Sub-HOA service address in terms of section 3(1)(o) of the Act, simultaneously give such written notice to all members and other occupiers of sections and to all registered bondholders.
- (5) The service address for any legal process or delivery of any other document to a member is the address of the primary section registered in that member's name; provided that a member is entitled by written notice to the Sub-HOA to change that address for purposes as contemplated in subsections 6(3)(c) and 6(4) of the Act to another physical address, postal address in the Republic of South Africa or to an email address, and that the change in the service address of the member is effective when the Sub-HOA receives notice of such a change.
- (6) The service address for any legal process or delivery of any other document to an occupier of a section, who is not a member, is the physical address of that section.

5 TRUSTEES

- (1) All the members are trustees from the establishment of the body corporate until the end of the first general meeting.
- (2) After the first general meeting, the board of trustees shall consist of not less than 3 and not more than 5 trustees appointed.
- (3) The Bodies Corporate (represented by its elected board of Trustees) and Owners of sections in each Sectional Title Scheme, collectively and automatically, will thus all become Members of the Devonbosch Property Owners' Association and Members of the relevant Sub-HOA.
- (4) The Sub-HOA's will thus consist of the members of the respective Sectional Titles Schemes depending on the building of such Sectional Title Schemes and will from the board of Trustees of each Sectional Title Scheme, elect a MANCO to represent it at the Sub-HOA and to act in the best interests of all the members of the Sub-HOA.

6 REQUIREMENTS FOR OFFICE AND DISQUALIFICATION

- (1) A Trustee need not be a member or the legally recognised representative of a member who is a juristic person.
- (2) A person who is the managing agent or an employee of the managing agent or the Sub-HOA may not be a trustee unless that person is a member.
- (3) A trustee who has any direct or indirect personal interest in any matter to be considered by the trustees must not be present at or play any part in the consideration or decision of the matter concerned.
- (4) A trustee ceases to hold office if that trustee –
 - (a) by written notice to the body corporate, resigns from office;
 - (b) is declared by a court to be of unsound mind;
 - (c) is or becomes insolvent and the insolvency results in the sequestration of that trustee's estate;
 - (d) is convicted, or has been convicted in the Republic or elsewhere, of theft, fraud, forgery, perjury or any other offence involving dishonesty;
 - (e) is sentenced to imprisonment without the option of a fine;
 - (f) is removed from an office of trust on account of misconduct in respect of fraud or the misappropriation of money;
 - (g) is removed from office by ordinary resolution of a general meeting; provided the intention to vote on the proposed removal was specified in the notice convening the meeting;
 - (h) is or becomes disqualified to hold office as a director of a company in terms of the Companies Act, 2008 (Act No. 71 of 2008); or
 - (i) fails or refuses to pay the body corporate any amount due by that trustee after a court or adjudicator has given a judgment or order for payment of that amount.

7 NOMINATION, ELECTION AND REPLACEMENT

- (1) For as long as the developer is a member, the Developer may –
 - (a) directly appoint 3 trustees on written notice to the body corporate at its service address;

- (b) remove any trustee appointed by it in terms of sub-rule (a) hereof; and
 - (c) replace any trustee appointed by it in terms of sub-rule (a), if such appointed trustee ceases to act as such, for any reason whatsoever.
- (2) The developer shall be entitled to appoint the first trustees in terms of sub-rule (1)(a) above at the first annual general meeting. Any subsequent trustees will be appointed by the developer at the annual general meeting, save for a replacement trustee which may be elected at any time upon a trustee ceasing to act as such. The developer may elect to re-appoint any trustee at the annual general meeting.
 - (3) In addition to the trustees appointed by the developer, the members may, by way of an election of trustees in accordance with sub-rules 7(2) to 7(3) below, appoint 3 trustees.
 - (4) A member may nominate any person for the office of Trustee.
 - (5) The nomination of a Trustee must be in writing, accompanied by the written consent of the person nominated and delivered to the body corporate service address at least 48 hours before the relevant general meeting is due to start or such shorter period as approved by the chairperson.
 - (6) The first trustees elected by the members must be elected at the first general meeting of the body corporate and then at each subsequent annual general meeting.
 - (7) If a trustee appointed by an election of members ceases to hold office the remaining trustees, may appoint a replacement trustee.
 - (8) If a trustee appointed by the developer ceases to hold office, the developer may appoint a replacement trustee.
 - (9) An elected or replacement trustee holds office until the end of the next annual general meeting and is eligible for re-election.
 - (10) The trustees may appoint, for a specified period, a person qualified to serve as a trustee as a replacement trustee for any trustee, elected by the members, who is absent or otherwise unable to perform the duties of that office. Similarly, the developer may appoint, for a specified period, a person qualified to serve as a trustee as a replacement trustee for any trustee, appointed by the developer, who is absent or otherwise unable to perform the duties of that office.

8 PAYMENT AND INDEMNITY

- (1) The body corporate must reimburse trustees for all disbursements and expenses actually and reasonably incurred by them in carrying out their duties and exercising their powers.
- (2) Unless otherwise determined by the members by a special resolution, trustees who are members are not entitled to any reward, whether monetary or otherwise, for their services as such.
- (3) Trustees who are not members may be rewarded for their services as such; provided that any reward, whether monetary or otherwise, must be approved by a resolution of the body corporate as part of the budget for the scheme's administrative fund.
- (4) The body corporate must indemnify a trustee who is not a managing agent against all costs, losses and expenses arising as a result of any official act that is not in breach of the trustee's fiduciary obligations to the body corporate.

9 GENERAL POWERS AND DUTIES

- (1) The trustees must—
 - (a) meet to carry out the body corporate's business, adjourn and otherwise regulate their meetings as they think fit, subject to the provisions of the Act, these rules and the common law of meetings;
 - (b) exercise the body corporate's powers and functions assigned and delegated to them in terms of section 7(1) of the Act in accordance with resolutions taken at general meetings and at meetings of trustees;
 - (c) apply the body corporate's funds in accordance with budgets approved by members in general meeting;
 - (d) appoint any agent or employee in terms of section 4(a) of the Act in terms of a duly signed written contract; and
 - (e) compile minutes of each trustee and general meeting in accordance with rule 27(2)(a) and distribute these to the persons entitled to notice of the meeting concerned as soon as reasonably possible, but not later than 7 days after the date of the meeting.

10 VALIDITY OF ACTIONS

- (1) No document signed on behalf of the body corporate is valid and binding unless it is signed on the authority of a trustee resolution by –
 - (a) two trustees or the managing agent, in the case of a clearance certificate issued by the body corporate in terms of section 1 5B(3)(0(aa) of the Sectional Titles Act; and
 - (b) two trustees or one trustee and the managing agent, in the case of any other document.
- (2) A resolution adopted or other act performed by the trustees remains valid and effective notwithstanding the later discovery of some defect in the appointment of a trustee or the disqualification of a trustee.

11 CALLING AND ATTENDANCE AT MEETINGS

- (1) A trustee may at any time call a meeting of trustees by giving all other trustees not less than seven days written notice of the time and place of the meeting and by setting out an agenda for the meeting: Provided that —
 - (a) in cases of urgency a trustee may give such shorter notice as is reasonable in the circumstances; and
 - (b) notice need not be given to any trustee who is absent from the Republic unless the meeting is one referred to in sub-rule (5), but notice must be given to any replacement trustee appointed for that trustee.
- (2) The trustees may by written resolution set the dates of and a standard agenda for their future meetings and delivery of a copy of this resolution is considered adequate notice of all such future meetings.
- (3) Members, registered bondholders, holders of future development rights and the managing agent may attend trustee meetings and may speak on any matter on the agenda, but they are not entitled to propose any motion or to vote; provided that such persons are not entitled to attend those parts of trustee meetings that deal with —
 - (a) discussions of contraventions of the Act or rules; or
 - (b) any other matters in respect of which the trustees resolve that the presence of any such persons would unreasonably interfere with the interests of the body corporate or any person's privacy.
- (4) If a member, a registered mortgagee or the holder of a future development right

in writing requests notice of trustee meetings, the trustees must deliver to that person a copy of a notice of a meeting referred to in sub-rule (1), a resolution referred to in sub-rule (2) and a notice of any adjournment of such a meeting; provided that the body corporate may recover from the person concerned the costs of delivery of such documents.

- (5) The trustees may make arrangements for attendance at a trustee meeting by telephone or any other method, if the method —
 - (a) is accessible to all trustees and other persons entitled to attend the meeting;
 - (b) permits all persons participating in the meeting to communicate with each other during the meeting; and
 - (c) permits the chairperson to confirm, with reasonable certainty, the identity of the participants.
- (6) A person who attends a meeting as provided under sub-rule (5) is considered present in person at the meeting.

12 CHAIRPERSON

- (1) From the establishment of the body corporate until the end of the first general meeting, the developer's nominee will be the chairperson of the trustees.
- (2) The developer shall, at the commencement of the first meeting of trustees and thereafter at an annual general meeting at which trustees have been elected and whenever else necessary, appoint a chairperson from among the trustees.
- (3) The chairperson of the trustees holds office as such until the end of the next annual general meeting.

13 QUORUM

- (1) At a trustee meeting, 50 per cent of the trustees by number and provided that the trustees present consist of a majority appointed by the developer, but not less than two, form a quorum.
- (2) If the number of trustees falls below the number necessary to form a quorum, the remaining trustee or trustees may continue to act, but only to —
 - (a) appoint replacement trustees to make up a quorum; or
 - (b) call a general meeting.

- (3) If at any trustee meeting a quorum is not present within 30 minutes of the appointed time for the meeting, the trustees present, but not less than two, must adopt interim resolutions in respect of each item on the agenda.
- (4) An interim resolution adopted by trustees in terms of sub-rule (3) does not take effect unless it is confirmed—
 - (a) at the next trustee meeting at which a quorum is present; or
 - (b) by written resolution signed by all the trustees.

14 VOTING

- (1) A motion at a trustee meeting —
 - (a) does not have to be seconded; and
 - (b) must be determined by resolution adopted by the majority of the trustees present and voting.
- (2) Each trustee is entitled to one vote; provided that if the deliberative votes of the trustees, including that of the chairperson, are tied, the chairperson has a casting vote, unless there are only three trustees.
- (3) A trustee is disqualified from voting in respect of —
 - (a) any proposed or current contract or dispute with the body corporate to which the trustee is a party; and
 - (b) any other matter in which the trustee has any direct or indirect personal interest.
- (4) Trustees must adopt decisions by resolutions adopted by majority vote: Provided that resolutions may be put to the vote —
 - (a) at trustee meetings; or
 - (b) by a notice sent to each trustee which contains the text of any proposed resolutions and instructs the trustees to indicate their agreement to the resolution by their signature, which signatures must be received by the body corporate before expiry of the closing date specified in the notice.

OWNER MEETINGS

15 NOTICE

- (1) Subject to sub-rule (7), at least 14 days' written notice of a general meeting

specifying the place, date and hour of the meeting must be given to—

- (a) all members;
 - (b) all registered bondholders;
 - (c) all holders of future development rights; and
 - (d) the managing agent.
- (2) A person who has a right to be notified under this rule may waive that right by notice in writing delivered to the body corporate and may, at any time and in the same way, revoke that waiver; provided that if two or more persons are jointly entitled to exercise a vote, all of them must waive the right to notice and any of them may revoke that waiver.
- (3) The notice of a general meeting must be accompanied by at least -
- (a) an agenda, as required in terms of these rules;
 - (b) a copy or comprehensive summary of any document that is to be considered or approved by members at the meeting; and
 - (c) a proxy appointment form in the prescribed format.
- (4) A general meeting must be held in the local municipal area where the scheme is situated unless the members have by special resolution decided otherwise.
- (5) Registered bondholders, holders of future development rights and the managing agent may attend general meetings and may speak on any matter on the agenda, but they are not, in those capacities, entitled to propose any motion or to vote; provided that such persons are not entitled to attend any part of a general meeting if the members resolve that their presence would unreasonably interfere with the interests of the body corporate or any person's privacy.
- (6) Notice of a general meeting must be delivered to—
- (a) members at their service addresses in terms of rule 4(5), and
 - (b) other persons at the most recent physical, postal or email address of which they have notified the body corporate in writing.
- (7) A general meeting may be called—

- (a) on 7 days' notice if the trustees have resolved that short notice is necessary due to the urgency of the matter and set out their reasons for this resolution; provided that the trustees must not take such a resolution in regard to a meeting referred to in rule 29(2) or (4);
 - (b) on less than 14 days' notice, if this is agreed to in writing by all persons entitled to attend.
- (8) Failure to give proper notice of a general meeting to a person entitled to receive notice does not invalidate a vote taken at the meeting, as long as the body corporate made a reasonable attempt to give the notice.
- (9) Voting at a general meeting may proceed despite the lack of notice as required by this rule, if all persons entitled to receive notice in writing waive their right to notice.

16 FIRST GENERAL MEETING

- (1) The developer must include with the notice of the first general meeting held in terms of section 2(8) of the Act —
 - (a) an agenda in accordance with sub-rule (2);
 - (b) the documents referred to in sub-rule (2); and
 - (c) a comprehensive summary of the rights and obligations of the body corporate under the policies and contracts referred to in sub-rule (2)(d).
- (2) The agenda for the first general meeting of members must include at least the following —
 - (a) a motion to confirm or vary the terms of the policies of insurance effected by the developer or the body corporate;
 - (b) a motion to confirm or vary an itemised estimate of the body corporate's anticipated income and expenses for its first financial year;
 - (c) a motion to approve, with or without amendment, the developer's —
 - (i) evidence of revenue and expenditure concerning the

management of the scheme from the date of the first occupation of any unit until the date of the establishment of the body corporate, as required in terms of section 2(8)(c)(iii) of the Act; and

- (ii) financial statements relating to the management and administration of the scheme from the date of establishment of the body corporate to the date of notice of the first general meeting referred to in sub-rule (1);
 - (d) subject to section 15(2) of the Act, a motion to ratify or not to ratify the terms of any contract entered into by the developer on behalf of the body corporate;
 - (e) a motion confirming that the developer has —
 - (i) furnished the meeting with copies of the documents referred to in section 2(8) of the Act and in this rule; and
 - (ii) paid over any residue referred to in section 2(9) of the Act;
 - (f) a motion appointing an auditor to audit the evidence and financial statements referred to in sub-rule (2)(c);
 - (g) motions determining the number of trustees and electing trustees;
 - (h) a motion detailing any restrictions to be imposed or directions to be given in terms of section 7(1) of the Act or confirming that there are no such restrictions or directions.
- (3) For the purposes of voting on the items of business referred to in sub-rule (2)(c), (d) and (e), any vote held or controlled by the developer is suspended.
- (4) In addition to the documents referred to in section 2(8) of the Act, the developer must at or before the first general meeting furnish the body corporate with copies of —
- (a) all building plans approved by the local municipality;
 - (b) any encroachment permit or other document issued by the local municipality in regard to the improvements in the scheme;

- (c) plans showing the location of all pipes, wires, cables and ducts referred to in section (3)(1)(r) of the Act;
 - (d) names and addresses of all contractors, subcontractors and any other persons whom the developer has employed to render services or supply materials relating to the development of the scheme;
 - (e) all warranties, manuals, schematic drawings, operating instructions, service guides, documentation from manufacturers and other similar information in respect of the construction, installation, operation, maintenance, repair and servicing of any common property or body corporate assets, occupation certificate, including any guarantee or warranty provided to the developer by a person referred to in sub-rule (4) (d); and
 - (f) all records the body corporate is required to prepare or retain in terms of rule 27.
- (5) If the developer fails to provide the body corporate with any document referred to in section 2(8) of the Act or in this rule, the body corporate must do all things reasonably necessary to obtain or have the specific document prepared and may recover the reasonable costs incurred in doing so from the developer.
- (6) If the developer fails to call the first general meeting in compliance with the requirements of section 2(8) of the Act, any member or the body corporate may do so and the body corporate must recover from the developer all costs reasonably incurred in ensuring compliance with the developer's obligations.

17 ANNUAL AND SPECIAL GENERAL MEETINGS

- (1) Subject to sub-rule (2), the body corporate must hold an annual general meeting within four months of the end of each financial year.
- (2) The body corporate is not obliged to hold an annual general meeting if, before or within one month of the end of a financial year, all members in writing waive the right to the meeting and consent in writing to motions that deal with all the items of business that must be transacted at the annual general meeting; provided that if two or more persons are jointly entitled to exercise a vote, all of them must waive the right to the meeting and consent to the resolutions in writing.
- (3) All general meetings other than the annual general meeting are special general

meetings.

- (4) The trustees may by resolution call a general meeting whenever they think fit and must do so if either—
 - (a) members entitled to 25 per cent of the total quotas of all sections; or
 - (b) the holder of mortgage bonds over not less than 25 per cent in number of all the primary sections, deliver to the body corporate a written and signed request for a special general meeting; provided that if the trustees fail to call a meeting thus requested within 14 days of delivery of the request, the members or bondholder concerned are entitled to call the meeting.
- (5) Members or a bondholder who request a meeting in terms of sub-rule (4) must include one or more motions or matters for discussion with their request and these motions or matters must be included, without amendment, in the agenda for the meeting.
- (6) The order of business at general meetings is as follows:
 - (a) confirm proxies, nominees and other persons representing members and issue voting cards;
 - (b) determine that there is a quorum;
 - (c) elect a person to chair the meeting, if necessary;
 - (d) present to the meeting proof of notice of the meeting or waivers of notice;
 - (e) approve the agenda;
 - (f) approve minutes from the previous general meeting, if any;
 - (g) deal with unfinished business, if any;
 - (h) deal with any business referred to in sub-rule (5);
 - (i) if the meeting is the first general meeting referred to in section 2(8) of the Act, deal with the business set out in rule 16(2);
 - (j) if the meeting is an annual general meeting —

- (i) receive reports of the activities and decisions of trustees since the previous general meeting, including reports of committees;
 - (ii) approve the schedules of insurance replacement values referred to in rule 23(3), with or without amendment;
 - (iii) determine the extent of the insurance cover by the body corporate in terms of rules 23(6), (7) and (8);
 - (iv) approve the budgets for the administrative and reserve funds for the next financial year;
 - (v) consider the annual financial statements;
 - (vi) appoint an auditor to audit the annual financial statements, unless all the sections in the scheme are registered in the name of one person;
 - (vii) if the body corporate has more than four members who are owners of primary sections and is not managed by an executive managing agent in terms of rule 28, determine the number of trustees to be elected to serve during the next financial year; and
 - (viii) elect the trustees;
 - (k) report on the lodgement of any amendments to the scheme's rules adopted by the body corporate under section 10 of the Act and, if applicable, table a consolidated set of scheme rules;
 - (l) deal with any new or further business;
 - (m) give directions or impose restrictions referred to in section 7(1) of the Act; and
 - (n) dissolve the meeting.
- (7) Subject to sub-rules (5) and (6), the trustees determine the agenda for an annual or special general meeting; provided that the agenda must contain—
- (a) a description of the general nature of all business, and
 - (b) a description of the matters that will be voted on at the

meeting, including the proposed wording of any special or unanimous resolution.

- (8) If any of the items of business that require member approval are not approved at an annual general meeting or any adjournment of the meeting; the resolution not to approve the relevant document must include the reasons for non-approval and the body corporate must have the document revised and submitted to another general meeting for approval as soon as reasonably possible, until it is approved.
- (9) The body corporate does not have to hold a special general meeting to consider a resolution if all members waive the right to the meeting and consent to the resolution in writing; provided that if two or more persons are jointly entitled to exercise a vote, all of them must waive the right to the meeting and consent to the resolution in writing.
- (10) A body corporate may make arrangements for attendance at an annual or special general meeting by telephone or any other method, if the method—
 - (a) is accessible to all members and other persons entitled to attend the meeting;
 - (b) permits all persons participating in the meeting to communicate with each other during the meeting; and
 - (c) permits the chairperson to confirm, with reasonable certainty, the identity of the participants.
- (11) A person who attends a meeting as provided under sub-rule (10) is considered present in person at the meeting.

18 CHAIRPERSON

- (1) The chairperson of the trustees must preside as chairperson at every general meeting of the body corporate, unless otherwise resolved by members at the meeting.
- (2) If there is no chairperson or the chairperson of the trustees is not present within 15 minutes after the time appointed for the meeting, or is unwilling or unable to act as chairperson, the members present must elect a chairperson for such meeting.
- (3) A chairperson must—
 - (a) maintain order, regulate the orderly expression of views and

guide the members and other participants through the business of the meeting in accordance with the common law of meetings;

- (b) ensure that all motions and amendments proposed are within the scope of the notice and powers of the meeting;
- (c) ensure that the scheme's rules, the minute books and any other documents relevant to the items of business on the agenda are available at the meeting;
- (d) act fairly, impartially and courteously to all members and others entitled to attend the meeting;
- (e) ensure that all members and other persons entitled to speak are able to express their views without unnecessary disturbance or interruption;
- (f) adjourn the meeting, when it is not able to complete or continue with its business;
- (g) make decisions on points of procedure;
- (h) settle disputes by giving rulings on points of order; and
- (i) surrender the chair to a temporary chairperson elected by the members for any period during which the chairperson wishes to engage in the debate of any item of business.

(4) A chairperson at a general meeting must not—

- (a) from the chair, attempt to influence members' views on any item of business; or
- (b) disclose in advance of a vote how the chairperson intends to vote on any item of business.

19 QUORUM

- (1) Business must not be transacted at any general meeting unless a quorum is present or represented.
- (2) A quorum for a general meeting is constituted —
 - (a) for a scheme with less than 4 primary sections or a body

corporate with less than four members, by members entitled to vote and holding two thirds of the total votes of members in value;

(b) for any other scheme, by members entitled to vote and holding one third of the total votes of members in value, provided that at least two persons must be present unless all the sections in the scheme are registered in the name of one person, and provided further that in calculating the value of votes required to constitute a quorum, the value of votes of the developer must not be taken into account.

- (3) For the purpose of establishing a quorum and for the purposes of section 6 of the Act, the value of votes of any sections registered in the name of the body corporate must not be taken into account and the body corporate must not be considered to be a member.
- (4) If within 30 minutes from the time appointed for a general meeting a quorum is not present, the meeting stands adjourned to the same day in the next week at the same place and time; provided that if on the day to which the meeting is adjourned a quorum as described in sub-rule (2) is not present within 30 minutes from the time appointed for the meeting, the members entitled to vote and present in person or by proxy constitute a quorum.

20 VOTING AND REPRESENTATIVES

- (1) A motion at a general meeting —
- (a) does not need to be seconded; and
 - (b) except for a special or unanimous resolution, must be adopted by resolution of the majority of the votes, calculated in value, of the members present and voting.
- (2) Except for special and unanimous resolutions, a member is not entitled to vote if—
- (a) a member fails or refuses to pay the body corporate any amount due by that member after a court or adjudicator has given a judgment or order for payment of that amount; or
 - (b) that member persists in the breach of any of the conduct rules of the scheme referred to in section 10(2)(b) of the Act after a court or an adjudicator has ordered that member to refrain

from breaching such rule.

- (3) For the purposes of any vote, the values of votes of any sections registered in the name of the body corporate are considered abstentions.
- (4) Where a member is as such a trustee for a beneficiary, that member exercises voting rights to the exclusion of persons beneficially interested in the trust and such persons are not entitled to vote.
- (5) A member's appointment of a proxy in terms of section 6(5) of the Act and the proxy's acceptance of the mandate must, except in the case of an appointment in a mortgage bond, be substantially in the prescribed form and must be-
 - (a) delivered to the body corporate 48 hours before the time of the meeting; or
 - (b) handed to the chairperson before or at the start of the meeting.
- (6) A proxy need not be a member but must not be the managing agent or an employee of the managing agent or the body corporate.
- (7) When two or more persons are entitled to exercise one vote jointly, that vote may be exercised only by one person, who may or may not be one of them, jointly appointed by them as their proxy.
- (8) The outcome of each vote, including the number of votes for and against the resolution, must be announced by the chairperson and recorded in the minutes of the meeting.
- (9) If a special resolution is passed at a general meeting by members holding less than 50 per cent of the total value of all members' votes—
 - (a) the body corporate must not take any action to implement that resolution for one week after the meeting, unless the trustees resolve that there are reasonable grounds to believe that immediate action is necessary to ensure safety or prevent significant loss or damage to the scheme; and
 - (b) within seven days from a resolution referred to in sub-rule 9 (a), members holding at least 25 per cent of the total votes of all members in value may, by written and signed request delivered to the body corporate, require that the body corporate hold a special general meeting to reconsider the

resolution.

(10) If a demand referred to in sub-rule (9)(b) is delivered to the body corporate, the trustees must not implement the resolution unless—

- (a) it is again passed by special resolution; or
- (b) a quorum is not present within 30 minutes of the time set for the meeting.

FINANCIAL MANAGEMENT

21 FINANCIAL YEAR, FUNCTIONS AND POWERS

(1) The financial year of a body corporate established after the Act comes into operation must run from the first day of October of each year to the last day of September of the following year unless otherwise resolved by the body corporate in general meeting.

(2) The body corporate must not—

- (a) make loans from body corporate funds without the authority of a unanimous resolution;
- (b) refund to any member a contribution lawfully levied and paid;
- (c) distribute to a member or any other person any portion of the body corporate's profits or gains except-
 - (i) upon destruction or deemed destruction of the buildings, or
 - (ii) where such profit or gain is of a capital nature.

(3) The body corporate may, on the authority of a written trustee resolution—

- (a) levy members with a special contribution if additional income is required to meet a necessary expense that cannot reasonably be delayed until provided for in the budget for the next financial year;
- (b) increase the contributions due by the members by a maximum of 10 per cent at the end of a financial year to take account of the anticipated increased liabilities of the body

corporate, which increase will remain effective until members receive notice of the contributions due by them for the next financial year; provided that the trustees must give members notice of such increased contributions by notice in terms of rule 25, with such changes as are required by the context;

- (c) charge interest on any overdue amount payable by an member to the body corporate; provided that the interest rate must not exceed the maximum rate of interest payable per annum under the National Credit Act (2005) Act No 34 of 2005) , compounded monthly in arrear;
 - (d) invest any moneys in the reserve fund referred to in sections 3(1)(b) of the Act in a secure investment with any institution referred to in the definition of "financial institution" in section 1 of the Financial Services Board Act, 1990 (Act No. 97 of 1990);
 - (e) enter into written and signed contracts in respect of its powers and duties under the Act and these rules;
 - (f) join organisations and subscribe to services to further its purposes under the Act and these rules;
 - (g) delegate to one or more of the trustees, to a member, agent or an employee such of their powers and duties as they deem fit, and at any time to revoke such delegation; provided that when they delegate any power or duty they must specify in writing-
 - (i) the power or duty concerned;
 - (ii) a maximum amount of the body corporate's funds that may be spent for a particular purpose; and
 - (iii) any conditions that may be applicable; and
 - (h) approach the Community Scheme Ombud Service for relief.
- (4) The body corporate must ensure that all money received by the body corporate is deposited to the credit of an interest-bearing bank account—
- (a) in the name of the body corporate; or

- (b) that is a trust account opened in terms of either the Estate Agency Affairs Act, 1976 (Act No. 112 of 1976), or the Attorneys Act, 1979 (Act No. 53 of 1979).

22 MAINTENANCE, REPAIR AND REPLACEMENT PLAN

- (1) A body corporate or trustees must prepare a written maintenance, repair and replacement plan for the common property, setting out—
 - (a) the major capital items expected to require maintenance, repair and replacement within the next 10 years;
 - (b) the present condition or state of repair of those items;
 - (c) the time when those items or components of those items will need to be maintained, repaired or replaced;
 - (d) the estimated cost of the maintenance, repair and replacement of those items or components;
 - (e) the expected life of those items or components once maintained, repaired or replaced; and
 - (f) any other information the body corporate considers relevant.
- (2) The annual contribution to the reserve fund for the maintenance, repair or replacement of each of the major capital items must be determined according to the following formula: [(estimated cost minus past contribution) divided by expected life].
- (3) A maintenance, repair and replacement plan takes effect on its approval by the members in general meeting; provided that on approval of such a plan, members may lay down conditions for the payment of money from the reserve fund.
- (4) The trustees must report the extent to which the approved maintenance, repair and replacement plan has been implemented to each annual general meeting.

23 INSURANCE

- (1) The insurance policies of the body corporate in terms of sections 3(1)(h) and (i) of the Act —
 - (a) must provide cover against —
 - (i) risks referred to in regulation 3;

- (ii) risks that members resolve must be covered by insurance; and
 - (iii) risks that holders of registered first mortgage bonds over not less than 25 per cent in number of the primary sections by written notice to the body corporate may require to be covered by insurance;
 - (b) must specify a replacement value for each unit and exclusive use area, excluding the member's interest in the land included in the scheme; provided that any member may at any time by written notice to the body corporate require that the replacement value specified for that member's unit or exclusive use area be increased;
 - (c) must restrict the application of any "average" clause to individual units and exclusive use areas, so that no such clause applies to the buildings as a whole;
 - (d) must include a clause in terms of which the policy is valid and enforceable by any holder of a registered mortgage bond over a section or exclusive use area against the insurer notwithstanding any circumstances whatsoever which would otherwise entitle the insurer to refuse to make payment of the amount insured, unless and until the insurer terminates the insurance on at least 30 days' notice to the bondholder; and
 - (e) may include provision for "excess" amounts.
- (2) A member is responsible —
- (a) for payment of any additional premium payable on account of an increase in the replacement value referred to in sub-rule (1)(b);
 - (b) for any excess amount that relates to damage to any part of the buildings that member is obliged to repair and maintain in terms of the Act or these rules, and must furnish the body corporate with written proof from the insurer of payment of that amount within seven days of written request.
- (3) A body corporate must obtain a replacement valuation of all buildings and improvements that it must insure at least every three years and present such

replacement valuation to the annual general meeting.

- (4) A body corporate must prepare for each annual general meeting schedules showing estimates of —
 - (a) the replacement value of the buildings and all improvements to the common property; and
 - (b) the replacement value of each unit, excluding the member's interest in the land included in the scheme, the total of such values of all units being equal to the value referred to in sub-rule 4(a).
- (5) On written request by any registered bondholder and the furnishing of satisfactory proof, the body corporate must record the cession to that bondholder of that member's interest in any of the proceeds of the insurance policies of the body corporate.
- (6) A body corporate must take out public liability insurance to cover the risk of any liability it may incur to pay compensation in respect of—
 - (a) any bodily injury to or death or illness of a person on or in connection with the common property; and
 - (b) any damage to or loss of property that is sustained as a result of an occurrence or happening in connection with the common property, for an amount determined by members in general meeting, but not less than 10 million rand or any such higher amount as may be prescribed by the Minister in any one claim and in total for any one period of insurance.
- (7) A body corporate must take out insurance for an amount determined by members in general meeting to cover the risk of loss of funds belonging to the body corporate or for which it is responsible, sustained as a result of any act of fraud or dishonesty committed by a trustee, managing agent, employee or other agent of the body corporate.
- (8) A body corporate, authorised by a special resolution of members, may insure any additional insurable interest the body corporate has —
 - (a) in the land and buildings included in the scheme; and
 - (b) relating to the performance of its functions,

for an amount determined in that resolution.

24 ADMINISTRATIVE AND RESERVE FUNDS

- (1) The administrative fund referred to in section 3(1)(a) of the Act must be used to fund the operating expenses of the body corporate for a particular financial year.
- (2) The reserve fund maintained in terms of section 3(1)(b) of the Act must be used for the implementation of the maintenance, repair and replacement plan of the body corporate referred to in rule 22.
- (3) The following amounts must be paid into the reserve fund —
 - (a) any part of the annual levies designated as being for the purpose of reserves or the maintenance, repair and replacement plan;
 - (b) any amounts received under an insurance policy in respect of damage or destruction of property for which the body corporate is responsible;
 - (c) any interest earned on the investment of the money in the reserve fund;
 - (d) any other amounts determined by the body corporate, and all other body corporate income must be paid into the administrative fund.
- (4) Money may be paid out of the administrative fund in accordance with trustee resolutions and the approved budget for the administrative fund.
- (5) Money may be paid out of the reserve fund —
 - (a) at any time in accordance with trustee resolutions and the approved maintenance, repair and replacement plan; or
 - (b) if the trustees resolve that such a payment is necessary for the purpose of an urgent maintenance, repair or replacement expense, which purpose includes, without limitation —
 - (i) to comply with an order of a court or an adjudicator;
 - (ii) to repair, maintain or replace any property for which the body corporate is responsible where there are reasonable grounds to believe that an immediate

expenditure is necessary to ensure safety or prevent significant loss or damage to persons or property;

(iii) to repair any property for which the body corporate is responsible where the need for the repairs could not have been reasonably foreseen in preparing the maintenance, repair and replacement plan; or

(c) to enable the body corporate to obtain adequate insurance for property that the body corporate is required to insure; provided that the trustees must report to the members on any such expenditure as soon as possible after it is made.

(6) Expenditure under sub-rule (5)(b) —

(a) must not exceed-

(i) the amount necessary for the purpose for which it is expended; or

(b) any limitation imposed by the body corporate on expenditure; and

(c) must comply with any restrictions imposed or directions given by members.

25 CONTRIBUTIONS AND CHARGES

(1) The body corporate must, as soon as possible but not later than 14 days after the approval of the budgets referred to in rule 17(6)(iv) by a general meeting, give each member written notice of the contributions and charges due and payable by that member to the body corporate, which notice must-

(a) state that the member has an obligation to pay the specified contributions and charges; and

(b) specify the due date for each payment; and

(c) if applicable, state that interest at a rate specified in the notice will be payable on any overdue contributions and charges; and

(d) include details of the dispute resolution process that applies in respect of disputed contributions and charges.

- (2) If money owing is not paid on the dates specified in the notice referred to in sub-rule (1), the body corporate must send a final notice to the member, which notice must state—
- (a) that the member has an obligation to pay the overdue contributions and charges and any applicable interest immediately; and
 - (b) if applicable-
 - (i) the interest that is payable in respect of the overdue contributions and charges at the date of the final notice; and
 - (ii) the amount of interest that will accrue daily until the payment of the overdue contributions and charges; and
 - (c) that the body corporate intends to take action to recover the amount due if the overdue contributions and charges and interest owing are not paid within 14 days after the date the final notice is given.
- (3) Subject to rules 21(3) (a) and (b), after the expiry of a financial year and until they become liable for contributions in respect of the next financial year, members are liable for contributions in the same amounts and payable in the same instalments as were due and payable by them during the past financial year.
- (4) A member is liable for and must pay to the body corporate all reasonable legal costs and disbursements, as taxed or agreed by the member, incurred by the body corporate in the collection of arrear contributions or any other arrear amounts due and owing by such member to the body corporate, or in enforcing compliance with these rules, the conduct rules or the Act.
- (5) The body corporate must not debit a member's account with any amount that is not a contribution or a charge levied in terms of the Act or these rules without the member's consent or the authority of a judgment or order by a judge, adjudicator or arbitrator.
- (6) The body corporate must in its annual financial statements account for all contributions and any other charges debited to members' accounts.
- (7) On request in writing by a member the body corporate must make available a full and detailed account of all amounts debited and credited to the member's account with the body corporate.

26 FINANCIAL RECORDS, BUDGETS, REPORTS AND AUDIT

- (1) A body corporate must—
- (a) keep proper books of accounts that-
 - (i) record all its income, expenditure, assets and liabilities;
 - (ii) disclose all amounts recovered from members by the body corporate or any managing agent or other service provider acting on its behalf;
 - (iii) include individual accounts for each member; and
 - (iv) contain all other information necessary to allow members to assess the body corporate's financial situation and their financial situation in regard to the body corporate.
 - (b) keep separate books of account and bank accounts for its administrative and reserve funds referred to in sections 3(1)(a) and (b) of the Act;
 - (c) prepare annual financial statements for presentation at the annual general meeting, which statements must include analyses of the —
 - (i) amounts due to the body corporate in respect of contributions, special contributions and other charges, classified by member and the periods for which such amounts were owed;
 - (ii) amounts due by the body corporate to its creditors generally and prominently disclosing amounts due to any public authority, local municipality or other entity for services including, without limitation, water, electricity, gas, sewerage and refuse removal, classified by creditor and the periods for which such amounts were owed;
 - (iii) amounts advanced to the body corporate by way of levy finance, a loan, in terms of a guarantee, insurance policy or otherwise, setting out the actual or contingent liability of the body corporate and the amounts paid by the body corporate and by any member in terms of such arrangement;

- (iv) amounts in the reserve fund showing the amount available for maintenance, repair and replacement of each major capital item as a percentage of the accrued estimated cost and the rand value of any shortfall;
 - (v) premiums and other amounts paid and payments received by the body corporate and any member in terms of the insurance policies of the body corporate and the expiry date of each policy; and
 - (vi) amounts due and payable to the Community Schemes Ombud Service.
- (d) prepare a maintenance, repair and replacement plan in accordance with rule 22 for presentation at the annual general meeting;
 - (e) prepare budgets for the administrative and reserve funds comprising itemised estimates of the anticipated income and expenses during the next financial year for presentation at the annual general meeting; provided that such budgets may include discounts not exceeding 10 per cent of a members' annual contributions applicable if all those contributions are paid on or before the due dates;
 - (f) prepare a report adopted by the trustees reviewing the affairs of the body corporate during the financial year for presentation at the annual general meeting.
- (2) On the application of any member, registered bondholder or of the managing agent, the body corporate must make all or any of the books of account and records available for inspection and copying.
 - (3) The body corporate must ensure that all the body corporate's books of account and financial records are retained for a period of six years after completion of the transactions, acts or operations to which they relate.
 - (4) Unless all the sections in the scheme are registered in the name of one person, the body corporate must present audited financial statements to a general meeting for consideration within four months after the end of the financial year.
 - (5) The audit of a body corporate's annual financial statements -
 - (a) must be carried out by an independent auditor who has not

participated in the preparation of the annual financial statements or advised on any aspect of the accounts of the body corporate during the period being reported on;

(b) need not be carried out in accordance with any recognized financial reporting framework of guidelines for financial accounting;

(c) must include opinions as to whether or not-

(i) the annual financial statements accurately reflect the financial position of the body corporate for the financial year under review, with such qualifications and reservations as the auditor considers necessary;

(ii) the body corporate has complied with the accounting requirements set out in rules 21, 24 and this rule 26, with a specific description of any failure to comply with such requirements;

(iii) the books of account of the body corporate have been kept and its funds have been managed so as to provide a reasonable level of protection against theft or fraud; and

(iv) the financial affairs of the body corporate appear to be effectively managed;

(d) must be completed within four months of the end of the body corporate's financial year.

ADMINISTRATIVE MANAGEMENT

27 GOVERNANCE DOCUMENTS AND RECORDS

(1) The body corporate must—

(a) lodge a notification of an amendment to the scheme's rules referred to in section 10(5) of the Act as soon as reasonably possible, but not later than 10 days after the date of the relevant resolution of the body corporate; and

(b) compile and keep a complete set of all management and conduct rules including —

- (i) an index; and
 - (ii) a prominent reference to any rules that confer exclusive use rights, vary the effects of the participation quotas in regard to the value of votes or the liability for contributions, or impose either a financial or a maintenance obligation on members;
- (c) prepare a consolidated set of rules whenever they are amended.
- (2) The body corporate must prepare and update the following records —
- (a) minutes of general and trustee meetings, including the following information-
 - (i) the date, time and place of the meeting;
 - (ii) the names and role of the persons present, including details of the authorisation of proxies or other representative;
 - (iii) the text of all resolutions; and
 - (iv) the results of the voting on all motions;
 - (b) the list of trustees, members and tenants with their-
 - (i) full names;
 - (ii) identity numbers or, in the case of non-South African citizens, their passport numbers; and
 - (iii) section addresses and mailing addresses, if different;
 - (iv) telephone numbers; and
 - (v) email or other electronic addresses, if any;
 - (c) lists of-
 - (i) sections shown on the sectional plan, indicating in each case whether it is a primary or a utility section, its participation quota and the name of the member in whose name it is registered;

- (ii) exclusive use areas with descriptions of purposes and numbers, if any, indicating whether the rights to each area are conferred in terms of section 27 of the Sectional Titles Act or in terms of a rule, and a reference to the relevant rule where applicable; and
 - (iii) registered bondholders with their names and addresses;
 - (d) details of all future development rights including —
 - (i) names and addresses of all registered holders of such rights; and
 - (ii) copies of all documentation prepared in terms of section 25(2) of the Sectional Titles Act for any such right; and
 - (e) any other records required by the regulations.
- (3) The body corporate may obtain and keep copies of all of the following:
 - (a) The registered sectional plan and any registered amending sectional plan;
 - (b) the Act and the regulations;
 - (c) resolutions that deal with changes to the common property, including the conferring of exclusive use rights on members;
 - (d) consents and approvals given by the body corporate to members;
 - (e) waivers and consents given by members;
 - (f) written contracts to which the body corporate is a party;
 - (g) any decision of an adjudicator, arbitrator, magistrate or judge in a proceeding in which the body corporate is a party, and any legal opinions obtained by the body corporate;
 - (h) the budget and financial statement for the current year and previous years;
 - (i) income tax returns;
 - (j) insurance policies, endorsement and claim forms;

- (k) correspondence sent or received by the body corporate and trustees; and
 - (l) any other records required by the regulations.
- (4) On receiving a written request, the body corporate must make the records and documents referred to in this rule available for inspection by, and provide copies of them to —
 - (a) a member;
 - (b) a registered bondholder; or
 - (c) a person authorised in writing by a member or registered bondholder.
- (5) The body corporate must comply with a request for inspection or copying under this rule within 10 days unless the request is in respect of the rules, in which case the body corporate must comply with the request within five days.
- (6) The body corporate may charge a fee for a copy of a record or document other than the rules, provided that the fee is not more than the reasonable cost associated with the process of making the copy, and the body corporate may refuse to supply the copy until the fee is paid.
- (7) If the body corporate terminates its contract with an employee or a managing agent, that person must within 10 days deliver to the body corporate all records referred to in this rule that are in the person's possession or under the person's control.
- (8) The records referred to in this rule must be in writing or in a form that can be easily converted to writing.

28 EXECUTIVE MANAGING AGENT AND MANAGING AGENTS

- (1) The body corporate may, by special resolution, appoint an executive managing agent to perform the functions and exercise the powers that would otherwise be performed and exercised by the trustees.
- (2) Members entitled to 25 per cent of the total quotas of all sections may apply to the Community Scheme Ombud Service for the appointment of an executive managing agent.

- (3) An executive managing agent —
- (a) is subject to all the duties and obligations of a trustee under the Act and the rules of the scheme;
 - (b) is obliged to manage the scheme with the required professional level of skill and care;
 - (c) is liable for any loss suffered by the body corporate as a result of not applying such skill and care;
 - (d) has a fiduciary obligation to every member of the body corporate;
 - (e) must arrange for the inspection of the common property at least every six months; and
 - (f) must report at least every four months to every member of the body corporate on the administration of the scheme.
- (4) The reports of an executive managing agent referred to in sub-rule (3)(f) must include at least the following details —
- (a) proposed repairs to and maintenance of the common property and assets of the body corporate within the next four months;
 - (b) matters the executive managing agent considers relevant to the condition of the common property and the assets of the body corporate;
 - (c) the balance of each of the administrative and reserve funds of the body corporate on the date of the report and a reconciliation statement for each fund; and
 - (d) for the period since the appointment of the executive managing agent or from the date of the last report —
 - (i) the expenses of the body corporate, including repair, maintenance and replacement costs; and
 - (e) a brief description of the date and nature of all decisions made by the executive managing agent.
- (5) The body corporate may, if trustees so resolve, and must if required by —

- (a) a registered mortgagee of 25 per cent in number of the primary sections; or
 - (b) a resolution of members, appoint a managing agent to perform specified financial, secretarial, administrative or other management services under the supervision of the trustees.
- (6) A management agreement for any managing agent must comply with the requirements as may be set out in the regulations,
- (7) A management agreement may not endure for a period longer than three years and may be cancelled, without liability or penalty, despite any provision of the management agreement or other agreement to the contrary —
 - (a) by the body corporate on two months' notice, if the cancellation is first approved by a special resolution passed at a general meeting, or
 - (b) by the managing agent on two months' notice.
- (8) The body corporate or trustees may by ordinary resolution cancel the management agreement in accordance with its terms or refuse to renew the management agreement when it expires.

PHYSICAL MANAGEMENT

29 IMPROVEMENTS TO COMMON PROPERTY

- (1) The body corporate may on the authority of a unanimous resolution make alterations or improvements to the common property that is not reasonably necessary.
- (2) The body corporate may propose to make alterations or improvements to the common property that are reasonably necessary; provided that no such proposal may be implemented until all members are given at least 30 days written notice with details of —
 - (a) the estimated costs associated with the proposed alterations or improvements;
 - (b) details of how the body corporate intends to meet the costs, including details of any special contributions or loans by the body corporate that will be required for this purpose; and

- (c) a motivation for the proposal including drawings of the proposed alterations or improvements showing their effect and a motivation of the need for them; and if during this notice period any member in writing to the body corporate requests a general meeting to discuss the proposal, the proposal must not be implemented unless it is approved, with or without amendment, by a special resolution adopted at a general meeting.
- (3) A body corporate must, if so directed by a resolution of members —
 - (a) install and maintain separate meters to measure the supply of electricity, water, gas or the supply of any other service to each member's sections and exclusive use areas and to the common property; and
 - (b) recover from members the cost of such supplies to sections and exclusive use areas based on the metered supply.
- (4) A body corporate may on the authority of a special resolution install separate pre-payment meters on the common property to control the supply of water or electricity to a section or exclusive use area; provided that all members and occupiers of sections must be given at least 60 days' notice of the proposed resolution with details of all costs associated with the installation of the pre-payment system and its estimated effect on the cost of the services over the next three years.
- (5) If a pre-payment system referred to in sub-rule (4) is installed —
 - (a) the body corporate is responsible to ensure that the system does not infringe on the constitutional rights of section occupiers to access basic services; and
 - (b) any member who leases a unit to a tenant is responsible to ensure that the system does not infringe the rights of the tenant in terms of the Rental Housing Act, 1999 (Act No. 50 of 1999), or any other law.

30 USE OF SECTIONS AND COMMON PROPERTY

- (1) The body corporate must take all reasonable steps to ensure that a member or any other occupier of a section or exclusive use area does not—
 - (a) use the common property so as to unreasonably interfere with

- other persons lawfully on the premises, in breach of section 13(1)(d) of the Act;
- (b) use a section or exclusive use area so as to cause a nuisance, in breach of section 13(1)(e) of the Act;
- (c) contravene the provisions of any —
- (i) law or by-law relating to the use of a section or an exclusive use area; or
 - (ii) conditions of a license relating to use of the building or the common property, or the carrying on of a business in the building; or
 - (iii) conditions of title applicable to sections or exclusive use areas;
- (2) make alterations to a section or an exclusive use area that are likely to impair the stability of the building or interfere with the use and enjoyment of other sections, the common property or any exclusive use area;
- (3) do anything to a section or exclusive use area that has a material negative affect on the value or utility of any other section or exclusive use area;
- (4) subject to the provisions of section 13(1)(g) of the Act, use a section or exclusive use area for a purpose other than for its intended use as —
- (a) shown expressly or by implication on a registered sectional plan or an approved building plan ;
 - (b) can reasonably be inferred from the provisions of the applicable town planning by-laws or the rules of the body corporate; or
 - (c) is obvious from its construction, layout and available amenities;
 - (d) construct or place any structure or building improvement on an exclusive use area which in practice constitutes a section or an extension of the boundaries or floor area of a section without complying with the requirements of the Act and the Sectional Titles Act; provided that the body corporate may by ordinary resolution —

- (e) give consent for such a structure or building improvement, if they are satisfied that it does not require compliance with such requirements;
- (f) prescribe any reasonable condition in regard to the use or appearance of the structure or building improvement; and
- (g) withdraw any consent if the member or other occupier of a section breaches any such condition.

31 OBLIGATION TO MAINTAIN

- (1) Notwithstanding that a water-heating installation forms part of the common property and is insured by the body corporate, a member must maintain, repair and, when necessary, replace such an installation which serves that member's section or exclusive use area; provided that where such an installation serves sections owned or exclusive use areas held by more than one member, the members concerned must share the maintenance, repair and replacement costs on a pro-rata basis.
- (2) If despite written demand by the body corporate, a member refuses or fails to —
 - (a) carry out work in respect of that member's section ordered by a competent authority as required by section 13(1)(b) of the Act; or
 - (b) repair or maintain a section owned by that member in a state of good repair as required by section 13(1)(c) of the Act;

and that failure threatens the stability of the common property, the safety of the building or otherwise materially prejudices the interests of the body corporate, its members or the occupiers of sections generally, the body corporate must remedy the member's failure and recover the reasonable cost of doing so from that member; provided that in the case of an emergency, no demand or notice need be given to the member concerned.

CONDUCT RULES**1. APPLICABILITY**

These Conduct Rules are applicable to and binding upon the members for the time being of the Sub-HOA, all Owners, tenants or other occupiers of sections and any appointed managers and managing agents.

These Conduct Rules shall *mutatis mutandis* apply to the Owner's tenants, occupiers, employees, family members and any other person present on in the Scheme under the authority or title of the Owner.

2. ANIMALS, REPTILES AND BIRDS

2.1 An Owner shall not, keep any animal, reptile or bird ("**Pets**") in a section or on the common property, unless it has obtained the written consent of the MANCO of the Sub-HOA.

2.2 If the MANCO of the Sub-HOA provide their written consent to the keeping of Pets, the relevant Owner shall comply with the provisions as set out in "**Appendix 2**" attached hereto.

3. REFUSE DISPOSAL AND LITTERING

3.1 An Owner shall not deposit, throw, or permit or allow to be deposited or thrown, on the common property any rubbish, including dirt, cigarette butts, food scraps or any other litter whatsoever. In particular, no material or objects may be thrown out of windows or from balconies or down an elevator shaft.

3.2 An owner or occupier shall remove all items when clearing his post-box and shall dispose of any unwanted items in a suitable refuse container.

3.3 An Owner shall –

3.3.1 maintain, in a hygienic and dry condition, a receptacle for refuse within his section, exclusive use area or on such part of the common property as may be authorised by the Trustees, in writing;

3.3.2 ensure that before refuse is placed in such receptacle, it is securely wrapped in a suitably strong plastic bag and divide the refuse into organic and non-organic materials;

3.3.3 in the case of tins or other containers, ensure that they are completely drained before being deposited into the receptacle;

3.3.4 place such receptacle within the area and at the times designated by the Trustees, from time to time, for the purpose of having the refuse collected; and

3.3.5 when the refuse has been collected, promptly return such receptacle to his section.

4. VEHICLES

Besides the Exclusive Use Areas that have been sold to third party registered owners of Units in the Scheme, the Developer or its nominee shall own all other Parking Bay Exclusive Use Areas. Each Owner who has not bought an Exclusive Use Parking Bay, shall enter into a lease agreement with the Developer or its nominee in respect of the Parking Bay Exclusive Use Areas allocated by the Developer or its nominee to the relevant section owned by that Owner ("**the Parking Lease**"). The terms and conditions of use of the Parking Bay Units shall be subject to the Lease Agreement read with these Conduct Rules.

5. DAMAGE, ALTERATIONS AND ADDITIONS TO THE COMMON PROPERTY AND ALTERATIONS TO SECTIONS

Alterations, renovations and maintenance will be dealt with as per the attached annexure marked "**Appendix 1**".

6. APPEARANCE FROM OUTSIDE

6.1 The Owner shall not place or do anything on any part of the common property, including balconies, patios, stoeps, and gardens which, in the discretion of the Trustees, is aesthetically displeasing or undesirable when viewed from the outside of the section.

6.2 No items may be hung over fences, balconies, in windows or corridors or any part of the building or the common property which is visible from outside of the section.

6.3 An Owner shall ensure that his section is provided with adequate curtaining or blinds at all times, and in any event within 7 (seven) days of taking occupation of the section. The Trustees shall be entitled to request at any time after occupation that an Owner replace any curtains or blinds which they determine to be aesthetically displeasing or undesirable when viewed from the outside of the section.

6.4 Owners and occupiers of sections shall not erect any tent or similar structure on any part of the common property.

6.5 Notwithstanding the above, an Owner may, with the prior written consent of the Trustees, place, store, or leave any object on a part of the common property, or allow or permit it to be so placed, stored, or left.

7. SIGNS AND NOTICES

7.1 No Owner shall place any sign, notice, billboard or advertisement of any kind, whatsoever on any part of the common property, so as to be visible from outside the section, without the prior written consent of the Trustees and when granting such consent, the Trustees may prescribe any conditions thereto.

7.2 If an Owner has failed to comply with any condition imposed by the Trustees, the Trustees shall be entitled to remove any such sign, notice, billboard or advertisement, at the risk and costs of the Owner and such Owner shall have no claim against the Body Corporate or the Trustees arising from the removal of such sign, notice, billboard or advertisement.

8. LAUNDRY

An Owner shall not, without the prior written consent of the Trustees, erect his own washing lines, nor hang any washing or laundry or any other items on any part of the building or the common property so as to be visible from outside the buildings or from any other sections.

9. STORAGE OF FLAMMATORY MATERIAL

9.1 An Owner shall not store any material, or do or permit or allow to be done, any other dangerous act in the building or on the common property which will or may increase the rate of the premium payable by the Body Corporate under any insurance policy held by the Body Corporate.

9.2 If any premium payable in respect of any policy held by the Body Corporate is increased or becomes payable by reason of an Owner not complying with the provisions of such policies or these Conduct Rules then, the Owner shall be liable for the amount of the additional premium or increase in the premium.

9.3 Save where lease and sale agreements provide for this and where the owner received prior written approval from the Body Corporate, an Owner shall not make use of any open fires, whether gas or electrical, or any other braai devices to braai on their balconies or on the common property

9.4 An Owner confirms that it will comply with the gas regulations of South Africa.

10. LETTING AND OCCUPANCY

10.1 Nothing in this Scheme prohibits an owner, occupant or lessee, during their absence on a short-term basis, to lease their entire house to transient guests on a self-catering basis, provided this may not exceed 30 days in each calendar year for the property.

10.2 Should rental on a short-term basis to transient guests exceed 30 calendar days per year in any dwelling unit, this will be in contravention of these Conduct Rules as well as the Stellenbosch Municipality zoning rules.

10.3 All tenants of a section and other persons granted rights of occupancy by the Owner of the relevant section is obliged to comply with these Conduct Rules, notwithstanding any provision to the contrary contained in any lease or any grant of rights of occupancy.

10.4 Before a tenant or occupant takes occupation of a section, the Owner shall furnish the tenant or occupant with a copy of these Conduct Rules . Each tenant and occupant of a unit shall be deemed to have read and understood these Conduct Rules.

10.5 The Owner shall notify the Trustees, not later than 7 (seven) days prior to the conclusion of a lease agreement or occupancy agreement in respect of a unit, and shall provide the Trustees with the attached “**Appendix 3**” confirming:–

10.5.1 the name, identity number and contact number of the tenant or occupant;

10.5.2 the duration of the lease agreement;

10.5.3 the address and telephone number(s) of the Owner; and

10.5.4 confirmation that the lessee(s) and other occupiers have been given a copy of the Conduct Rules.

10.6 Other than with the express written consent of the Trustees, a Section may not be occupied by more than –

10.6.1 2 (two) persons in the case of a one bedroom section;

10.6.2 4 (four) persons in the case of a two bedroom section; and

10.6.3 6 (six) persons in the case of a three bedroom section.

11. ERADICATION OF PESTS

11.1 An Owner shall keep his section free of white ants, borer and other wood destroying insects and to this end shall permit the Trustees, the managing agent, and their duly authorised agents or employees, to enter upon his section from time to time for the purpose of inspecting the section and taking such action as may be reasonably necessary to eradicate any such pests.

11.2 The costs of the inspection, eradicating any such pests as may be found within the section, replacement of any woodwork or other material forming part of such section which may be damaged by any such pests shall be borne by the owner of the section concerned.

11.3 An Owner shall be responsible to ensure that activities in his section or on the common property complies with all municipal health regulations and that no damage or risk is created or allowed to the health, safety or property of other occupants, tenants, patrons, attendees of the buildings.

12. ELEVATORS

12.1 When using an elevator, Owners shall ensure that –

12.1.1 the warning signs and notices pertaining to the usage of the elevator is adhered to;

12.1.2 the maximum number of persons or the weight limit is not exceeded;

12.1.3 no damage is caused to the elevator;

12.1.4 the interior of the elevator is kept clean and neat.

12.2 save for the provision in paragraph 13.2 below, the elevators may not be used to transport furniture, heavy boxes, heavy objects, building materials or rubble.

12.3 To enable the Trustees to arrange for the supervision of the elevator, Owners must notify the Trustees of the dates and times when they, or any person occupying the section under them, intend to move out of or into a section in order to arrange for use of the elevator.

12.4 No playing allowed in the elevator(s).

13. NOISE AND NUISANCE

13.1 Owners shall ensure that their activities in and use of his section and the common property or any part thereof and all services, facilities and amenities available on the common property, including the activities of their employees, visitors, contractors or representatives, shall at all times be conducted and carried out with reasonable and diligent care and with due and proper consideration of the remaining occupants of the buildings and in accordance with these Conduct Rules, and of the provisions of the Sectional Titles Management Act.

13.2 An Owner shall not cause or permit any disorderly conduct of whatsoever nature upon his section or any part of the common property or do or permit any act, matter or thing in or about the same which shall constitute or cause a nuisance or disturbance or any inconvenience to any other Owner, visitor or attendee of the building.

13.3 The Owner shall not use any radio, television sets, recording equipment, sound equipment, or any other apparatus emitting sound or play any musical instruments to the extent that it causes any disturbance to any other Owner or any other visitor or attendee of the building. All radio, television sets, recording equipment, sound equipment, or any other apparatus emitting sound, including musical instruments shall be kept at audio levels which are reasonable in the discretion of the Trustees. Owners shall not make excessive noise, particularly on Sundays and weekdays between the hours of 22h00 and 07h00 and on weekdays between the hours of 23h00 and 07h00 on Saturdays.

13.4 The horns of motor vehicles may not be sounded at any time on the common property, except as a warning of imminent danger in the case of an emergency.

13.5 No explosives, crackers, fireworks or items of similar nature may at any time be exploded, lit or operated in sections or any part of the common property.

13.6 No firearms or pellet guns may be discharged or flung around or be used to threaten in a section or any part of the common property, except under circumstances as would reasonably justify the use of a firearm for self-defence and related purposes.

13.7 All complaints with regard to the behaviour of any occupant visitor, attendee, employees or representative shall be directed by the Trustees to the relevant Owner.

14. USAGE OF COMMON PROPERTY, SECTIONS, EXCLUSIVE USE AREAS, RELATED MATTERS AND SERVITUDE AREAS

14.1 An Owner shall not hold or allow to be held any sale in execution or auction sale in a section or any portion of the common property under any circumstances, without the prior consent of the Trustees.

14.2 The common property may only be used for the purpose for which it is intended and for no other purpose.

14.3 An Owner shall be responsible for adequate supervision of his or her children, or children of their visitors, and shall ensure that no nuisance is caused or common property damaged and in particular children may not play games in passages, walkways and parking areas.

14.4 No unsupervised children are to use bicycles, skateboards, roller skates, roller blades, 'quad-bikes', carts, electrical carts, 'scooters' or 'motorbikes' on the common property.

14.5 The throwing of stones or other solid objects on the common property is prohibited.

14.6 In the event of damage of whatsoever nature being caused to the common property, including exclusive use areas, by an owner, lessee or occupier or any of their visitors, contractors or employees, the owner shall be responsible for the costs of such repair.

14.7 The Body Corporate or its agent's representatives or employees shall not be liable or responsible for the receipt or non-receipt and delivery or non-delivery of goods, postal matter or any other property.

15. SAFETY, SECURITY AND RISK

15.1 Owners must at all times ensure that the security and safety of other occupants and their property are preserved, and in particular, must –

15.1.1 handle their access controls responsibly and must report any loss of any access control to the Trustees; and

15.1.2 comply with all security measures imposed by the Trustees from time to time;

15.1.3 ensure that their guests, visitors, employees and contractors comply with the security measures implemented by the Trustees.

15.1.4 Fire safety equipment is only to be used in cases of emergencies for extinguishing fires or in a fire practice drill organised by the Trustees.

16. BODY CORPORATE EMPLOYEES

16.1 Owners may not request Body Corporate employees to perform any tasks for them during working hours.

16.2 Owners may not interfere with Body Corporate employees in the performance of their duties as allocated to them by the Trustees but must give full co-operation to such employees for the purpose of performance of their duties.

17. OCCUPIERS AND VISITORS

17.1 It shall be the responsibility of the Owner to ensure compliance with these Conduct Rules by its –

17.1.1 tenants, visitors, employees, family members;

17.1.2 the sub-tenants, visitors, employees of family members of any person referred to in 7.1.1; and

17.1.3 any other persons present at the Scheme under the authority or title of the Owner, ("the Owner's Occupiers").

17.2 All actions and omissions of the Owner's Occupiers shall be attributed to the Owner.

17.3 An Owner is strictly liable for payment in respect of any damages caused or penalty imposed in respect of any breach of these Conduct Rules by him or of the Owner's Occupiers.

18. INDEMNITY

The Owner hereby indemnifies and holds the Body Corporate its Trustees, employees, agents, representatives and contractors harmless against any injury, damage, claim, demand, cause of action, liability, loss and expense arising whatsoever and howsoever from any breach by the Owner, its visitors, guests, employees, representatives, contractors or agents of these Conduct Rules.

19. PENALTIES

19.1 If an Owner breaches the provisions of these Conduct Rules, the Trustees may furnish the Owner with a written notice setting out the particular breach and calling upon the Owner to remedy such breach. Such written notice shall further indicate that, if the Owner fails to remedy the breach of the Conduct Rules, the Trustees may impose a fine on the Owner.

19.2 If the Owner nevertheless persists in that particular conduct or in the contravention of that particular rule, the Trustees may convene a meeting of Trustees to discuss the matter and to impose a fine.

19.3 The Trustees shall send a written notice of the meeting to the Owner that breached these Conduct Rules ("the Defaulting Owner") who shall be invited to attend the meeting. Such notice shall be sent to the Defaulting Owner not later than 14 (fourteen) days before the meeting is held. At the meeting the Defaulting Owner must be given the opportunity to present his or her own case to the Trustees.

19.4 After the Defaulting Owner has been given the opportunity to present his case, the Trustees may by way of an ordinary majority vote determine whether the Defaulting Owner is guilty of the alleged offence and, if so, impose an initial penalty for the first offence and a subsequent penalty for every similar offence thereafter.

19.5 Should the Defaulting Owner not attend the meeting without providing a reasonable request for postponement, the Trustees, in their sole discretion, may continue with the meeting and impose a fine in the Owner's absence.

19.6 Any fine imposed by the Trustees may, if it is not paid within 14 (fourteen) days after the Defaulting Owner, has been notified of the imposition of the fine, be added to the contribution which the relevant Owner is obliged to pay Sectional Titles Schemes Management Act and claimed by the Trustees as part of the monthly instalments payable by the Owner.

19.7 The Body Corporate may determine the amounts of the initial and subsequent penalties at the meeting wherein this rule is adopted. Notwithstanding the aforementioned the Body Corporate may, at any general meeting, from time to time, determine the amount of the initial and subsequent penalties.

19.8 The imposition of a fine on any owner does not affect the right of the Body Corporate to obtain an appropriate court order or arbitration award and the Trustees may elect, on behalf of the body corporate, to impose any one or more options.

20. COMPLAINTS

All complaints are to be submitted in writing to the managing agent (if one has been appointed) or the Trustees (if no managing agent has been appointed), who shall investigate the matter and notify the Owner, in writing, of the outcome thereof.

21. GUIDELINES

21.1 The Trustees may from time to time issue guidelines in respect of any rule set out herein, provided that such guideline is not inconsistent with these Conduct Rules.

21.2 The guidelines issued by the Trustees shall provide direction as to the practical application of the Conduct Rules and are not intended to create further Conduct Rules.

21.3 The Trustees may from time to time prepare and review guidelines to control all aspects of the design and appearance of the building and structures forming part of the scheme. The guidelines may contain specification and sketch plans as to the nature, design, material, colour and manner of installation required to ensure uniformity of construction of structures.

21.4 The guidelines issued by the Trustees as aforesaid shall be binding on the Owners.

22. SLAUGHTERING

22.1 The slaughtering of animals or poultry for religious reasons, will only be permissible provided that:

22.1.1 an owner, occupier and/or tenant has obtained the prior written consent of the trustees, which consent will not unreasonably be withheld. The trustees may provide for any reasonable condition in regard to the ritual slaughtering of animals or poultry;

22.1.2 The written application for trustee consideration and approval must specify:

22.1.2.1 a reasonable date and time for the slaughtering to take place;

22.1.2.2 the type of animal to be slaughtered;

22.1.2.3 the name and qualifications of the person who will be carrying out the slaughtering ritual;

22.1.2.4 that the animal will be brought onto the premises immediately prior to the slaughtering ritual and that the carcass will be removed immediately thereafter;

22.1.2.5 that the Municipality has granted consent in terms of the applicable By-Laws;

22.1.2.6 that the Department of Health has granted consent;

22.1.2.7 that the Society for the Prevention of Cruelty to Animals (SPCA) will ensure that an official will attend the ritual to ensure that the animal will not endure unnecessary pain or suffering;

22.1.2.8 that all affected owners, occupiers and tenants within the scheme have received written notification of the slaughtering ritual to take place, which notification must set out the date and time that the slaughtering ritual is scheduled for.

22.2 An owner, occupier and/or tenant may not slaughter any animal or poultry on the common property.

The Trustees confirm that this version of the rules were signed at _____ on this _____ day of _____

Trustee 1

Trustee 2

Trustee 3

Trustee 4

APPENDIX 1

1. Minor Alterations

1.1 As far as minor alterations, fixtures or additions are concerned, an Owner of a Unit shall not mark, paint, drive nails or screws or the like into, or otherwise damage, or alter, any part of the common property, without first obtaining the written consent of the Trustees.

1.1.1 An Owner may install –

1.1.1.1 any locking device, safety gate, burglar bars, or other safety device for the protection of his or her section; or

1.1.1.2 any screen or other device to prevent the entry of animals or insects,

provided that the Trustees have first approved the nature and design of the device and the manner of its installation.

1.1.2 An owner or person authorised by him or her shall not construct, attach to or affix to any part of the exterior of buildings, including stoeps and balconies, or place or construct on, or affix to any part of the common property any alterations, fixtures or additions, including but not limited to radio aerials, television aerials, satellite dishes, solar heating systems, air conditioners, generators, chimneys, canopies, awnings, shade covers, carport covers, steps, braais or similar items without the prior written consent of the Trustees, who may attach reasonable conditions to their consent.

1.1.3 A request for the Trustees' consent or approval contemplated in 1.1, 1.1.1 and 1.1.2, shall be subject to the conditions set out herein and must be accompanied by plans and specifications sufficient to explain the nature, design, shape, size, material, colours and location of the proposed item.

1.1.4 The Trustees' consent for such structures as contemplated in 1.1.3 may at any time be withdrawn in the event of non-compliance with the imposed conditions. In the event of such withdrawal, the Owner is responsible for the immediate removal of the item, at his own cost. Should an owner fail to remove such item and any such failure persists for a period of 30 (thirty) days after the Trustees, or the managing agent, have called upon him to do so, in writing, the Trustees may have same removed at the risk and expense of the owner concerned, who shall have no recourse against the Body Corporate, its Trustees, employees or contractors for any damage resulting therefrom.

1.2 Structural Alterations

- 1.2.1 Any structural alteration affecting a section or the common property, and alterations to work to plumbing, electrical installations or conduits, may only be carried out –
 - 1.2.1.1 subject to compliance with all relevant provisions of the Sectional Titles Management Act and these Conduct Rules;
 - 1.2.1.2 after obtaining the written approval of the local authority, if applicable; and
 - 1.2.1.3 after obtaining the written consent of the Manco, which may be accompanied by such conditions as the Manco reasonably determined.
- 1.2.2 All structural alterations and alterations to, or repairs of, plumbing, electrical installations or conduits, must be done by suitably qualified persons and the work must comply with standards required by the local authority.
- 1.2.3 In addition to any other relevant provisions, the following provisions shall apply in respect of any work effected by Owners which, in the sole discretion of the Trustees, involves structural alterations or additions to a section, including the enclosure of balconies or stoeps, the removal, creation, or modification of a wall or any structural part of the building and any alterations, additions, modifications, improvement or decorative work which affects the exterior appearance of the section:
 - 1.2.3.1 The application for approval shall, attached hereto, shall be completed, signed and returned to the Manco along with specifications, time frame, and a sketch plan of the proposed alterations.
 - 1.2.3.2 The Manco may grant provisional consent or refuse such consent with reasons being furnished. The consent may also be accompanied by reasonable conditions. The Manco may request that a report by a structural engineer or architect be furnished.
 - 1.2.3.3 If provisional consent is given, the Owner must proceed to have building plans prepared and approved by the local authority (if required), and which may not deviate from the sketch plan.
 - 1.2.3.4 Before final approval, the Owner must canvass the comments of immediate neighbours, and submit them to the Manco for consideration.
 - 1.2.3.5 A copy of the approved building plan, or proof that a building plan is not required, must be submitted to the Manco.
 - 1.2.3.6 If considered necessary by the Manco, they may consult an architect, engineer, legal advisor or other professional consultant, regarding the proposed alterations.

- 1.2.4 Within 30 (thirty) days of obtaining all the required information and advice, the Manco shall consider the application, reach a reasonable decision, and advise the applicant of such decision. If refused, reasons must be given. The consent may also be accompanied by reasonable conditions.
- 1.2.5 A deposit, as determined by the Manco from time to time, shall be payable by the Owner before work may commence.

1.3 Internal Alterations

- 1.3.1 In addition to any other relevant provisions, the following provisions shall apply in respect of any work which, in the sole discretion of the Trustees, involves internal refurbishment, renovation or redecoration of a section.
- 1.3.2 A request to proceed shall be submitted to the Trustees, together with specifications, time frame, and a sketch plan of the proposed alterations.
- 1.3.3 The Trustees shall, within 14 (fourteen) days, convey their consent to proceed, with or without conditions as to access and the maintenance of security, to the Owner, or inform him or her why such consent cannot be given. An Owner may not proceed with the work without such consent.
- 1.3.4 A deposit as determined by the Trustees from time to time, shall be payable by the Owner, before work may commence.

1.4 All Alterations

- 1.4.1 In respect of all work done at the instance of an Owner, the following shall apply:
- 1.4.1.1 The Owner shall liaise with the Trustees concerning all aspects of the daily building operations, including the security measures applicable, the vehicles to be allowed on the premises and the temporary storage of building material and machinery on the premises. The Owner shall furnish the Trustees, managing agent or manager with the contact details of all contractors who intend to enter the premises.
- 1.4.1.2 The alterations and fixtures contemplated in this rule shall comply with the provisions contained in any guidelines issued from time to time by the Devonbosch Property Owners' Association and/or the Sub-HOA's.
- 1.4.1.3 All doors, security gates, windows, window frames and other external fittings must conform in quality and appearance with similar items generally installed elsewhere in the building or common property.

- 1.4.1.4 The Owner accepts responsibility and shall be liable to the Body Corporate or any other Owner, as the case may be, for any damage caused by him or her, his or her workmen, contractors, or any other person, to the common property or to other sections, and indemnifies the Body Corporate against such damage or any claims arising therefrom.
- 1.4.1.5 The electricity supply of the Body Corporate may not be used without the specific consent, in writing of the Trustees, who may assess the costs of such usage for the account of the Owner.
- 1.4.1.6 The main water or power supply may not be disconnected and no person may get onto the roof, without the prior consent of the Trustees.
- 1.4.1.7 Any work done in pursuance of this rule must be done on weekdays during the hours 08h00 to 17h00, or during the hours 08h00 to 13h00 on Saturdays, but not at all on Sundays or proclaimed public holidays.
- 1.4.1.8 Any work done in pursuance of this rule must be done with the minimum of discomfort, disturbance, obstruction, and nuisance to other Owners and must be concluded as expeditiously as possible, within the time frame specified, if any. Any rubble or other building material, tools or equipment shall be removed from the common property or any part of a section as soon as possible or within such reasonable time as determined by the Trustees.
- 1.4.1.9 Any deposit payable in terms of this rule, to the Trustees or any person designated by them, shall be paid before commencement of work and shall be repayable 60 (sixty) days after completion, subject to any deductions made by the Trustees.
- 1.4.1.10 All charges, damages, expenses and penalties raised against the owner in terms of this rule, are payable upon demand and, if unpaid, Trustees may deduct such items from the Owner's deposit and/or add the amount to his or her levy account.
- 1.4.1.11 The owner must ensure that his or her workmen and contractors comply with the relevant provisions of this rule.
- 1.4.1.12 In the event of approval, or a permit or consent being required from any local or other authority for the alteration, improvement, fixture or addition or similar item, such approval, permit or consent must be obtained by the owner before commencement of the alteration, improvement, installation of the fixture, or addition.
- 1.4.1.13 If any work done by or on behalf of an owner in pursuance of the provisions of this rule results in expenses being incurred by the Body Corporate, whether it be by obstructing the employees or contractors in the performance of their work, or in any other manner,

the owner concerned shall be liable for payment of such expenses, which may be added to his or her levy account or deducted from the deposit.

- 1.4.1.14 Any alteration, improvement, fixture or addition or similar items made or installed by an Owner in terms of this rule shall be maintained by the Owner concerned and his or her successor in title, in a state of good repair and in a clean, neat, hygienic and attractive condition, at his or her own expense. If an Owner fails to maintain adequately such alteration, improvement, fixture or addition or similar item and any such failure persists for a period of 30 (thirty) days after the giving of written notice to repair or maintain given by the Trustees or the managing agent on their behalf, the Body Corporate shall be entitled to remedy the owner's failure and to recover the reasonable cost of doing so from such Owner.
- 1.4.1.15 If an Owner (or person authorised by him or her) effects any work referred to in this rule without obtaining the Trustees' consent, or fails to comply with the imposed conditions, or to conform to the guidelines or required quality and appearance, or should an Owner in any other way contravene any sub-rule, the Trustees may request an Owner to remove such structure at his or her own cost. Should an Owner fail to remove or cause the removal of and/or restitution of any alteration, improvement, fixture or addition and any such failure persists for a period of 30 (thirty) days after written notice given by the Trustees, the Trustees may effect such removal and/or restitution at the risk and expense of the Owner concerned, who shall have no recourse against the Body Corporate or its Trustees, employees or contractors for any damage resulting therefrom.

APPENDIX 2

1 ANIMALS, REPTILES AND BIRDS

- 1.1 An Owner shall not, keep any animal, reptile or bird ("**Pets**") in a section or on the common property, unless it has obtained the written consent of the trustees of the Body Corporate.
- 1.2 If the trustees provide their written consent to the keeping of Pets, the relevant Owner shall comply with the provisions as set out in the Pet application form attached hereto marked "**Annexure B**". The conditions relating to Pets living in a Scheme are as follows:
- 1.2.1 Pets shall not be left unattended in any section or any part of the common property.
- 1.2.2 Any dog and/or cat must wear identity tags with the name and contact details of the Owner clearly visible thereon.
- 1.2.3 Owners shall ensure that their Pets do not foul the common property, urinate against buildings or vehicles, nor cause a nuisance to any other Owner or cause excessive noise.
- 1.2.4 All dogs and cats must be spayed or neutered, as the case may be, and a certificate from a practising vet shall be provided to the Trustees, as proof thereof, upon request by the Trustees.
- 1.2.5 All excrement of Pets is to be removed immediately from the common property and disposed of in an appropriate manner.
- 1.2.6 An Owner shall be liable for any damage or injury caused by his Pet to any person or part of the Common Property, exclusive use area or a section or to any items, plants or structures thereon.
- 1.2.7 In addition to the conditions prescribed herein, the Manco may prescribe such further reasonable conditions for the keeping of a Pet.
- 1.2.8 The trustees may withdraw any approval given to an Owner in respect of the keeping of Pets in the event of any breach of any of the conditions referred to above or any conditions prescribed by the Manco from time to time. If the trustees withdraw their consent as aforesaid, the Owner shall immediately remove the Pet from the section and common property.

2 GUIDE DOGS, HEARING DOGS AND SERVICE DOGS

Consent is automatically given if the pet is a guide dog, hearing dog or service dog. The owner will be required to present proof of the disability the dog assists with to the Trustees.



PET APPLICATION AND AGREEMENT

1. PROPERTY ADDRESS:

2. LESSEE NAME:

3. PET DETAILS

If more than 1 pet, print and complete a separate Pet Agreement form.

Pet 1	
Type of pet	
Breed	
Name	
Age	
Desexed	
Description	
Colour photo provided	

4. EMERGENCY PET CARER:

The Lessee provides the following information for use in the case of an emergency:

Name	
Address	
Cell Number	
Work Number	
Cell Number VETERINARIAN	

5. TERMS AND CONDITIONS:

The Lessee acknowledges and agrees to the following terms:

- 5.1 The Lessor has agreed to permit pets at the Premises on the conditions as specified in the Lease Agreement and this Pet Agreement.
- 5.2 Any pet/s other than the approved pet/s specified in this Pet Agreement shall not be allowed on the Premises. Prior to the pet/s being allowed onto the Premises. Pet approval may be subject to specific criteria and must be complied with. Approval is NOT guaranteed.
- 5.3 The Lessee shall be liable for any damage or injury whatsoever caused by the pet/s on the Property, whether they are the Lessee's pets or their guests' pets and regardless of their approval status.
- 5.4 The Lessee accepts full responsibility and indemnifies the Lessor for any claims by or injuries to third parties or their Property caused by, or as result of actions by their pet/s or their guest's pet/s, and regardless of their approval status.
- 5.5 By signing below, you are only asking for approval of the above-mentioned pet/s to be accepted at the Property for which you are applying.

6. ACKNOWLEDGEMENT BY APPLICANT

Applicant Name:

Signature Date:

Signature:

7. APPLICATION RESULT

DECLINED	APPROVED

Once approved, this Pet Agreement forms part of the Lessee's Lease Agreement.

Agency Name:
Signature Date:
(duly authorised)

Lessee Name:
Signature Date:

APPENDIX 3

NEW TENANT FORM

Please note that if married in COP, both spouses need to sign this form and provide the relevant documentation.

TENANT APPLICATION FORM PRIVATE & CONFIDENTIAL. COMPLETION OF THIS FORM DOES NOT GUARANTEE THAT YOU WILL BE ACCEPTED AS A TENANT. PLEASE PROVIDE A CERTIFIED COPY OF YOUR ID/PASSPORT

1. FIRST APPLICANT:
PERSONAL DETAILS

Full Names (Dr/Mr/Ms/Miss):	
Identity No:	
SA Citizen YES / NO (Resident Permit No: Exp Date:)	
Car Reg No: Year: Make & Model:	
Present address	
Work No.	
Email address	
Married YES / NO If YES: C.O.P. / A.N.C. /	
Name of Present Landlord/Agent	
Contact No.	
Name of relative not living at same address	
Relationship	
Cell no.	
Email	
Employer	
Occupation	
Work Address	
Work telephone	
Are you, or have you ever been declared, insolvent? YES / NO	
Do you have a criminal record?	
Bank account details where your salary is paid into: Bank Branch Account No.	

2. SECOND APPLICANT:
PERSONAL DETAILS

Full Names (Dr/Mr/Ms/Miss):	
Identity No:	
SA Citizen YES / NO (Resident Permit No: Exp Date:)	
Car Reg No: Year: Make & Model:	

Present address	
Work No.	
Email address	
Married YES / NO If YES: C.O.P. / A.N.C. /	
Name of Present Landlord/Agent	
Contact No.	
Name of relative not living at same address	
Relationship	
Cell no.	
Email	
Employer	
Occupation	
Work Address	
Work telephone	
Are you, or have you ever been declared, insolvent? YES / NO	
Do you have a criminal record?	
Bank account details where your salary is paid into: Bank Branch Account No.	

3. Number of new tenants required to reside in Property:

4. Lease Period:

I, we the undersigned prospective Lessee(s) agree that we have read and understand the terms of the Devonbosch Property Owner's Association Constitution, the Sub-HOA's Rules and Guidelines as well as the Body Corporate Management and Conduct Rules and accept them as binding on us.

INITIAL:

Signed at _____ on this _____ day of

Applicant 1
Full Name:

Signed at _____ on this _____ day of

Applicant 2
Full Name:
