

**Reference Number: Erf 23996, GEORGE**

**Date: 05 March 2021**

**Enquiries: Primrose Nako**

KRAAIBOSCH VILLAGE HOA  
P O BOX 12167  
GARDEN ROUTE MALL  
**GEORGE**  
6530

**EMAIL:** Village Manager <villagemanager@kraaibosch.org>

**APPLICATION FOR CONSTITUTION OF THE KRAAIBOSCH VILLAGE HOA: ERF  
23996, KRAAIBOSCH, DIVISION GEORGE**

Your application in the above refers.

The Deputy Director: Planning (Authorised Official) has, under delegated authority, WW.1.33 of 29 July 2015 that approval is herewith granted on Erf 23996, George in terms of section 15(2)(l) of the Land-Use Planning By-Law for George Municipality, 2015 for the following;

1. KRAAIBOSCH VILLAGE CONSTITUTION OF THE HOME OWNERS ASSOCIATION.

**REASONS FOR DECISION:**

- The Kraaibosch Village Constitution HOA was amended and approved by the said HOA in a meeting held on 30 May 2018;
- The HOA complies with the George Integrated Zoning Scheme By-Law, 2017 and as well as the Land-Use Planning By-Law for George Municipality, 2015;
- The HOA Constitution was approved by the Board of Trustees of the Kraaibosch Country Estate and Kraaibosch Manor HOA.

You have the right to appeal to the Appeal Authority against the decision of the Authorised Official, in terms of Section 79(2) of the George Municipality's By-law on Municipal Land Use Planning.

- A detailed motivated appeal with reasons should be directed to and received by the Appeal Authority, P O Box 19, George **on or before 26 MARCH 2020**.
- An appeal that is not lodged within this timeframe or that does not comply with Section 80 of the George Municipality's By-law on Municipal Land Use Planning will be deemed invalid.

Kindly note that no appeal right exists in terms of Section 62 of the Local Government Municipal Systems Act, No 32 of 2000.

Kindly note that in terms of Section 80(14) of the George Municipality's By-law on Municipal Land Use Planning, the above decision is suspended until such time as the period for lodging an appeal has lapsed, any appeal has been finalized and you have been advised accordingly.

Yours Faithfully

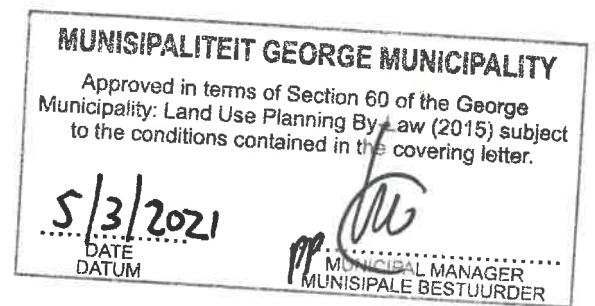


**T. BOTHA**  
**MUNICIPAL MANAGER**

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## CONSTITUTION




# KRAAIBOSCH VILLAGE

## CONSTITUTION OF THE HOME OWNERS ASSOCIATION

**This is the amended Constitution of the Kraaibosch Village Home Owners Association.  
The Constitution as amended is based on the following premise:**


- A. The Kraaibosch Village Home Owners Association was constituted in terms of Section 29 of the Land Use Planning Ordinance 1985 (Ord. 15 of 1985), as approved by the George Municipality on 18 December 2014;
- B. The Association has as its members all registered owners of single residential erven and sectional title unit owners within the sectional title scheme on Erf 26586, George, arising from the subdivision of Erf 23996, George (the Development);
- C. The Development was established in terms of the Housing Development Schemes for Retired Persons Act 65 OF 1988;
- D. The original Constitution was amended by the third Annual General Meeting of the Association held on 30 May 2018, as reflected herein.

May 2018

<b>MUNISIPALITEIT GEORGE MUNICIPALITY</b>	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
5/3/2021	
DATE DATUM	MUNICIPAL MANAGER MUNISIPALE BESTUURDER

## CONSTITUTION OF THE KRAAIBOSCH VILLAGE HOME OWNERS ASSOCIATION

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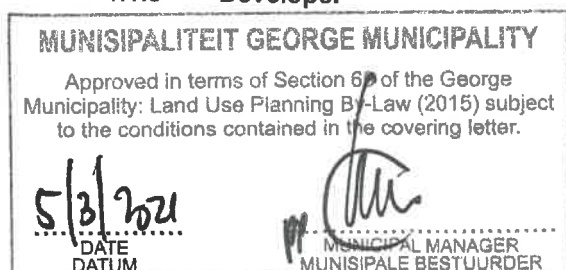
# CONSTITUTION OF THE KRAAIBOSCH VILLAGE HOME OWNERS ASSOCIATION

## 1. INTERPRETATION OF THIS CONSTITUTION

1.1 In this constitution and unless otherwise inconsistent with the context the following words and expressions shall have the meanings hereby assigned to them:

- 1.1.1 **"alienate"** to divest ownership of any property by way of sale, exchange, donation, Deed, interstate succession, will, cession, assignment, court order, insolvency, liquidation, prescription or expropriation, irrespective of whether such alienation is subject to a suspensive or resolutive condition, and 'alienation' shall have a corresponding meaning, and provided further that it shall be deemed to be an alienation when a company or close corporation being a registered owner of a Sectional Title Unit sell shares, rights or interest in a Company or Members Interest in a Close Corporation;
- 1.1.2 **"architectural design manual"** the architectural design manual in respect of improvement on the land as approved by the local authority;
- 1.1.3 **"Association"** Kraaibosch Village Home Owners Association;
- 1.1.4 **"body corporate"** a body corporate in respect of a sectional title scheme envisaged on Erf 26586, George;
- 1.1.5 **"common areas"** all those portions of the development which are transferred by the developer to the Association or intended and identified by the Developer as such, to be held and maintained by the Association for the benefit of the members as a clubhouse, roads, walkways, bridges, gardens, visitors-parking areas, security offices, storage areas or for some other communal purpose such as security perimeter walls;
- 1.1.6 **"common services"** all bulk services including services in respect of the provision of water, sewerage, electricity, drainage, telecommunications, refuse removal, fire-fighting, security, transport and all such other utilities and amenities serving the common areas, properties and sectional title scheme;
- 1.1.7 **"communal facility"** the communal facility on the land comprising of a clubhouse with facilities;
- 1.1.8 **"Developer"**

Reigate Development Projects (Pty) Limited, registration number 1993/006590/07, or its successor's-in-title;



1.1.9	<b>"development"</b>	the development of the land as envisaged in sub-clause 4.1 of this Constitution;
1.1.10	<b>"Board of Trustees"</b>	the Board of Trustees for the time being of the Association appointed in terms of this Constitution;
1.1.11	<b>"land"</b>	Erf 23996, George as subdivided;
1.1.12	<b>"local authority"</b>	the George Municipality or any local authority that may succeed it as the local authority which has jurisdiction over the development from time to time;
1.1.13	<b>"LUPO"</b>	the Cape Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985), as amended; or substituted legislation;
1.1.14	<b>"member"</b>	a member of the Association being the Developer itself for as long as it owns a property in the development, every owner of a single residential erf and a sectional title unit owner in the body corporate in respect of the sectional title scheme in the development;
1.1.15	<b>"prime rate"</b>	the publicly quoted basic rate of interest per annum from time to time, of the Association's bankers at which the said bank lend money on unsecured overdraft to first class corporate borrowers;
1.1.16	<b>"property"</b>	a property within the development destined for residential use created by the subdivision of the land and "properties" shall mean all of such properties or any group thereof as the context may indicate;
1.1.17	<b>"proxy"</b>	a person duly appointed by a member or a Trustee in terms of the provisions of this constitution to represent him at any meeting or resumption of any meeting that has been postponed;
1.1.18	<b>"rules"</b>	the rules of the Association referred to in sub-clauses 4.4.5 and 7.6 of this constitution;
1.1.19	<b>"sectional title scheme"</b>	the sectional title scheme within the development on Erf 26586, George; known as "Kraaibosch Assisted Living Centre", or "ALC"
1.1.20	<b>"sectional title unit"</b>	a sectional unit within the sectional title scheme;
1.1.21	<b>"ALC member"</b>	A member of the Association which is an owner of a sectional title unit in the body corporate of the sectional title scheme in the development. This distinction is applicable for the purposes of levy allocation in terms of sub-clause 18.6 of this Constitution

- 1.2 Unless the context clearly indicates a contrary intention:
  - 1.2.1 the singular shall include the plural and vice versa and;
  - 1.2.2 a reference to any one gender shall include the other genders; and
  - 1.2.3 a reference to natural persons includes legal persons and vice versa.
- 1.3 Where any term is defined within the context of any particular clause in this constitution, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this constitution, notwithstanding that that term has not been defined in this interpretation clause.
- 1.4 When any number of days is prescribed in this constitution, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or proclaimed public holiday in the Republic of South Africa, in which event the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday.
- 1.5 If any provision of this constitution is in conflict or inconsistent with any law, the invalidity of any such provision shall not affect the validity of the remainder of the provisions of this constitution.

## 2. **ESTABLISHMENT OF THE HOME OWNERS ASSOCIATION**

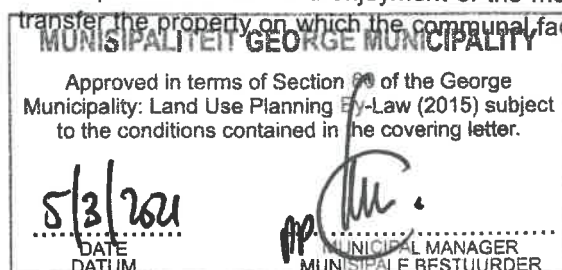
The Association is established in accordance with section 29(1) of LUPO and comes/came into being on the date of registration of transfer of the first property on the land (hereinafter referred to as "a property") into the name of the purchaser thereof. Individual membership shall commence when a member takes transfer of a property into his/her/its name.

## 3. **LEGAL PERSONALITY / STATUS**

- 3.1 The Association shall have legal personality / status and be capable of suing and being sued in its own name and shall continue to exist notwithstanding changes in the composition of its membership or office-bearers.
- 3.2 The Association shall not operate for profit for the benefit of the members and no member shall have any right, title or interest to or in the funds or assets of the Association, which shall vest in and be controlled by the Board of Trustees of the Association referred to in clause 6 below.

## 4. **INTRODUCTION / OBJECTS**

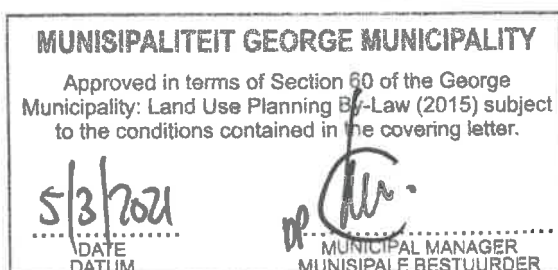
- 4.1 The Developer has sub-divided and developed the land as a retirement village for purposes of the sale of single residential erven and sectional title units within the development, it being the Developer's intention that the communal facility and the common areas within the development are to be transferred to the Association by the Developer and at the cost of the Developer for the use and enjoyment of the members, with the Developer being obliged to transfer the property on which the communal facility is situated, together with the completed





facilities thereon, to the Association when 80% (eighty per centum) of the properties have been transferred to purchasers thereof.

- 4.2 It is recorded that it is imperative for the successful execution and implementation of the development that the Developer will retain effective control of the Association until the transfer of the last properties or the last of the sectional title units within the development and that the Association does not have the power or capacity in any way to interfere with, object to, restrict or in any way provide an obstacle of any nature to the Developer with the planning, implantation or construction of any part or aspect of the development or any improvements thereon and that notwithstanding any provision to the contrary herein contained, there will be no restriction on the Developer to develop, transfer, sell, lease or alienate the whole or any portion of the development, nor will the Developer be obliged to obtain any consent or clearance whatsoever from the Association or the members in respect of the construction of any improvements on any part of the development.
- 4.3 The objects of the Association are the control over and the maintenance of any property on the land registered in the Association's name and/or on the common areas on the land, to control the design and construction of any alterations to any of the member's improvements in accordance with the architectural design manual and to promote, advance and protect the communal interests of members of the Association in such a way as to allow for the members to derive maximum benefit thereof. Provided that in respect of the architectural design manual the Board of Trustees may appoint an architectural review committee. Provided further that members of the architectural review committee shall not be required to be members of the Association.
- 4.4 In pursuing the objects of the Association shall have the following powers, namely:
- 4.4.1 to take transfer of the communal facility and the common areas for the benefit of the members;
- 4.4.2 to administer, manage, oversee, maintain and control the communal facility and the common areas;
- 4.4.3 to manage, oversee and control all security aspects of the development;
- 4.4.4 to enter into agreements for the provision of services, *inter alia* including the provision of water, electricity and sewerage services to the Association and where required to supply such services to the members;
- 4.4.5 to make rules regarding the practical implementation and enforcement of the provisions of this constitution, including but not limited to the power make regulations regarding access and security and the power to levy stipulated penalties in respect of any transgression of the provisions of this constitution and/or the regulations;
- 4.4.6 to control the registration of transfer by members of properties within the development.
- 4.4.7 to cooperate with the body corporate of the sectional title within the scheme that will conditionally be known as the Kraaibosch Village Sectional Title Scheme that the services that are provided to occupants of the facility for debilitated persons are reasonably priced and confirm to acceptable medical standards
- 4.5 The Association, through the Board of Trustees, shall have all the powers that are necessary to accomplish the fulfilment of the foregoing objects, including but not restricted to, the powers specifically contained in this constitution.



## 5. MEMBERSHIP

- 5.1 Membership of the Association shall be limited to owners of single residential erven on the land and owners of sectional title units in the body corporate in respect of the sectional title scheme, consisting of:

- 75 owners of single residential erven [Kraaibosch Village];
- 39 owners of Sectional Title Units [Kraaibosch Assisted Living Centre, or ALC members];
- 1 owner of the Kraaibosch Frail Care Centre, an ALC member

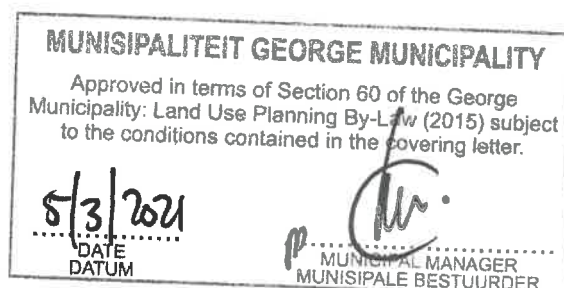
115 Kraaibosch Village Association members

provided that :

- 5.1.1 where a property is owned by more than one person all the registered owners of that property shall collectively be deemed for the purposes of the Association to be one member and the person whose name appears first in the Title Deed of such property shall be considered to be the member;
  - 5.1.2 where a property is owned by a legal person who is not a natural person the legal person shall nominate a natural person who shall be deemed to be the member;
  - 5.1.3 when a member ceases to be the registered owner of a property he shall *ipso facto* cease to be a member of the Association.
- 5.2 For the purpose of levy allocation only, as provided in sub-clause 18.6 hereunder, a distinction shall be made between "members" comprising owners of single residential erven and "ALC members" or owners of Sectional Title Units, respectively.

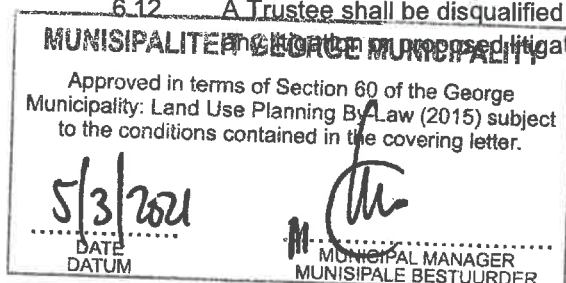
## 6. BOARD OF TRUSTEES

- 6.1 The affairs of the Association shall be controlled by the Board of Trustees (hereinafter referred to as "the Trustees") which shall manage and conduct the business and affairs of the Association.
- 6.2 The Trustees shall comprise 3 [three] developer Trustees until the first annual general meeting of the association whereupon the number shall be 5 [five] Trustees comprising 3 [three] developer Trustees and 2 [two] member Trustees for as long as the developer is a member. Upon the developer ceasing to be a member of the association all 5 [five] Trustees shall be member Trustees. The Association shall nominate 1 [one] representative to the management committee of the body corporate of the sectional title scheme, which representative's rights shall be limited to observation status without voting rights. The body corporate of the sectional title scheme shall nominate 1 [one] representative to the Board of Trustees of the Association, which representative's rights shall be limited to observation status without voting rights. The Association shall, in a general meeting held after the developer has ceased to be a member, be entitled to increase or decrease the number of Trustees.
- 6.3 Each Trustee shall continue to hold office until the annual general meeting of the Association following his appointment, at which meeting each Trustee shall be deemed to have retired from office as such but will be eligible for re-election at such meeting.



- 6.4 A Trustee shall be deemed to have vacated his office as such upon:
- 6.4.1 his estate being sequestrated, whether provisionally or finally or upon his surrendering his estate;
  - 6.4.2 him making any arrangement or composition with his creditors;
  - 6.4.3 his conviction for any offence involving dishonesty;
  - 6.4.4 him becoming of unsound mind;
  - 6.4.5 him resigning from such office in writing;
  - 6.4.6 his death;
  - 6.4.7 him being removed from office by a resolution of the Board of Trustees;
  - 6.4.8 his being disentitled to exercise a vote in terms of this constitution.
- 6.5 Notwithstanding the fact that a Trustee shall be deemed to have vacated his office, as provided in sub-clause 6.4 above, anything done by such Trustee in the capacity of a Trustee in good faith shall be valid until the fact that he is no longer a Trustee has been recorded in the minute book of the Trustees.
- 6.6 In the event of a casual vacancy occurring in the ranks of Trustees, the remaining members shall appoint a substitute Trustee for the ranks of the members who shall hold his appointment until the next general meeting of the Association.
- 6.7 One of the Trustees appointed by the Developer shall be appointed the first chairman and shall hold office until the first annual general meeting provided that such office shall *ipso facto* be vacated by the Trustee who was appointed chairman upon his ceasing to be a Trustee for any reason.
- 6.8 Within 7 (seven) days of the holding of each annual general meeting of the Association the Trustees shall meet and shall elect from their own number the chairman who shall hold office until the annual general meeting held next after his appointment. Provided that the office of chairman shall *ipso facto* be vacated by the Trustee holding such office upon his ceasing to be a Trustee for any reason. In the event of any casual vacancy occurring in the aforesaid office the Board of Trustees shall meet as soon as reasonably possible to appoint one of their number as a replacement in such office.
- 6.9 Save as otherwise provided in this constitution, the chairman shall preside at all meetings of the Trustees and all general meetings of the Association and shall perform all duties incidental to the office of chairman and such other duties as may be prescribed by the Trustees or by members and shall allow or refuse to permit guests to speak at any such meetings, provided that any such guest shall not be entitled to vote at any meetings.
- 6.10 If the chairman vacates the chair during the course of a meeting or is not present or is, for any other reason, unable to preside at any meeting, the Trustees present shall choose another chairman for such meeting.
- 6.11 If any chairman vacates his office as chairman or no longer continues in office for any reason, the Trustees shall elect another chairman who shall hold office as such for the remainder of the period of office of the first mentioned chairman.

- 6.12 A Trustee shall be disqualified from voting in respect of any contract or proposed contract or any dispute with the Association by virtue of any interest

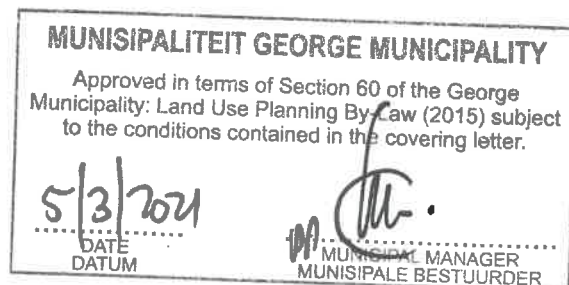


he may have therein, save with the approval of the remaining Trustees after full disclosure of such interest.

- 6.13 No contract concluded by the Trustees on behalf of the Association shall be valid and binding unless the chairman and one Trustee sign it, the latter specifically appointed as authorised signatory in terms of the resolution of Trustees whereby the Trustees bind the Association.
- 6.14 Trustees shall be entitled to be repaid all reasonable and bona fide expenses incurred by them in or about the performance of their duties as Trustees and/or chairman, as the case may be, but save as aforesaid, shall not be entitled to any other remuneration, fees or salary in respect of the performance of such duties.
- 6.15 Trustees may not make loans on behalf of the Association to the members or to themselves.

## **7. FUNCTIONS, POWERS AND DUTIES OF THE BOARD OF TRUSTEES**

- 7.1 Subject to the express provision of this constitution, the Trustees shall manage and control the business and affairs of the Association, shall have full powers in the management and direction of such business and affairs, including the right of appointment and dismissal of any managing agent, and may exercise all such powers of the Association.
- 7.2 Save as specifically provided in this constitution, the Trustees shall at all times have the right to engage on behalf of the Association the services of accountants, advocates, attorneys, auditors, architects, engineers, land surveyors, managing agents, town planners or any other professional firm or person or other employees whatsoever for any reason deemed necessary by the Trustees on such terms as the Trustees shall decide.
- 7.3 The Trustees shall have the right to vary, cancel or modify any of their decisions and resolutions from time to time.
- 7.4 The Trustees shall have the right to co-opt any person or persons chosen by them. A co-opted Trustee shall enjoy all the rights and be subject to all the obligations of the Trustees provided that such co-opted Trustee shall only serve until the next annual general meeting.
- 7.5 The Trustees may, should they so decide, investigate any suspected or alleged breach by any member or a Trustee of this constitution in such reasonable manner, as they shall decide from time to time.
- 7.6 The Trustees may make regulations not inconsistent with this Constitution:
- 7.6.1 as to the resolution of disputes generally;
- 7.6.2 for the furtherance and promotion of any of the objects of the Association;
- 7.6.3 for the better management of the affairs of the Association;
- 7.6.4 for the advancement of the interest of members;
- 7.6.5 for the conduct of Trustees at meetings of Trustees and meetings of the Association;
- 7.6.6 to levy and collect contributions from members of the Association in accordance with the provisions of sub-clause 18.3 below;





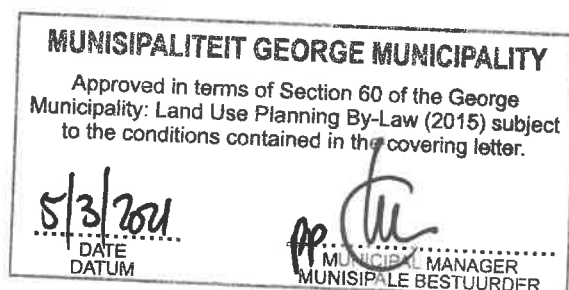
- 7.6.7 to levy and recover from members of the Association moneys which are necessary to defray the necessary expenses of the local authority in the event of the local authority imposing any levies and imposts against the Association;
- 7.6.8 to assist in administering and governing its activities generally.
- 7.7 Without in any way limiting the powers granted, the duties and powers of Trustees shall further specifically include:
- 7.7.1 the determination of what constitutes appropriate maintenance, repairs, additions to and improvements of properties on single residential units. The Trustees shall be entitled to require any member, who shall be obliged to repair or renovate such improvements, if in the reasonable opinion of the Trustees such improvements require essential repairs or have become dilapidated;
- 7.7.2 the entering into of agreements with third parties on behalf of the Association for any purposes of the Association;
- 7.7.3 the employment on behalf of the Association of agents, servants and any other party and the payment of such persons;
- 7.7.4 the taking of steps in all matters of common interest in respect of the Association and, without detracting from the generality thereof, such as common sewage, electricity supply, landscaping, maintenance of private roads, refuse facilities, removal or refuse and suchlike, where applicable;
- 7.7.5 the institution or defence of actions in the name of the Association and to appoint legal representatives for such purpose.
- 7.8 in exercising its functions and duties the Board of Trustees is empowered to consider, negotiate and establish agreements from time to time in terms of its relationships with the two other bodies that have a vested interest in the Kraaibosch development, namely the ALC body corporate, and the Kraaibosch Country Estate and Manor Homeowners Association. Such agreements will be aimed at resolving and settling matters of mutual concern, coordinating certain maintenance and management actions, managing and operating the clubhouse, determining and agreeing liabilities and contributions or cost apportionment to the respective levy structures, continuous monitoring and management of security services, and other relevant services. Each such agreement shall be formally recorded in a co-signed 'Memorandum of Understanding' or MOU between the respective bodies. Each such MOU shall have a unique reference number and shall be deemed to form an integral part of this constitution.

## 8. PROCEEDINGS OF THE BOARD OF TRUSTEES

- 8.1 The Trustees may meet for the dispatch of business, adjourn and otherwise regulate their meetings as they deem fit, subject to the provisions of this constitution.
- 8.2 Meetings of the Trustees shall be held at least once every 3 (three) months.
- 8.3 The chairman always has the right to convene meetings of the Trustees.
- 8.4 A Trustee may, provided he has the support in writing of 3 (three) other Trustees, at any time convene a meeting of Trustees by giving to the other Trustees not less than 14 (fourteen) days written notice of a meeting proposed by him, which notice shall specify the reason for

calling such a meeting, provided that in cases of urgency, such shorter notice as is reasonable in the circumstances may be given.

- 8.5 A resolution in writing signed by all the Trustees shall be valid and effectual as if it had been passed at a meeting of Trustees duly called and constituted.
- 8.6 The quorum necessary for the holding of any meeting of Trustees shall be 3 (three) Trustees. If no quorum is present within 15 (fifteen) minutes after the time for commencement of the meeting then it shall stand adjourned for the same time and place on the following day which is not a Saturday, Sunday or public holiday and, if at such adjourned meeting, a quorum is not present within 30 (thirty) minutes after the time appointed for the meeting, the Trustees then present shall be a quorum.
- 8.7 Any resolution of the Trustees shall be carried by a simple majority of all votes cast.
- 8.8 The chairman shall preside as such at all meetings of Trustees provided that, should at any meeting of Trustees the chairman not be present within 15 (fifteen) minutes after the time appointed for the holding thereof, those present of the Trustees shall vote to appoint a chairman for the meeting who shall thereupon exercise all the powers and duties of the chairman in relation to such meeting.
- 8.9 A Trustee may be represented at a meeting of Trustees by a proxy provided such proxy is a Trustee.
- 8.10 The instrument appointing a proxy shall be in writing and signed by the Trustee concerned but need not be in any particular form. The proxy shall be deposited with the chairman at any time before the time appointed for the commencement of a meeting and shall be valid only for such meeting or any adjournment thereof.
- 8.11 The Board of Trustees shall:
- 8.11.1 ensure that minutes are taken of every meeting of Trustees, although not necessarily verbatim, which minutes shall be reduced to writing without undue delay after the meeting has closed and shall then be certified correct by the chairman of the meeting;
- 8.11.2 cause such minutes to be kept of all meetings of the Trustees in a minute book of meetings of Trustees kept for that purpose;
- 8.11.3 keep all books of meetings of Trustees in perpetuity;
- 8.11.4 on the written application of any member of the Association, make all minutes of their proceedings available for inspection by such member at the cost of such member.
- 8.12 All resolutions recorded in the minutes of any meeting of Trustees shall be valid and of full force and effect as therein recorded within effect from the passing of such resolutions and until varied or rescinded, but no resolutions or purported resolutions of Trustees shall be of any force or effect or shall be binding upon the members of the Association or any of the Trustees unless such resolution is competent within the powers of the Trustees.
- 8.13 Save as otherwise provided in this constitution, the proceedings at any meeting of Trustees shall be conducted in such reasonable manner and form as the chairman of the meeting shall decide.



9. **MEETINGS OF MEMBERS OF THE ASSOCIATION**

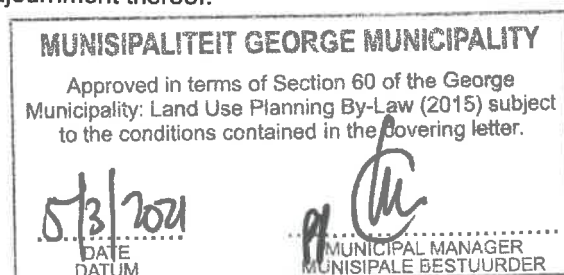
- 9.1 The Association shall, within 12 (twelve) months of the date of commencement of the Association, hold a general meeting as its first annual general meeting. Thereafter, within 3 (three) months of the financial year-end of the Association it shall hold second and subsequent annual general meetings.
- 9.2 Such annual general meetings shall be held at such time and place, subject to the foregoing provisions, as the Trustees shall decide from time to time.
- 9.3 The Trustees may, whenever they deem fit, convene a general meeting and a general meeting shall also be convened on a requisition made by not less than 33% (thirty three per centum) of members of the Association for the purposes of adding to, amending, substituting or repealing the provisions hereof.

10. **NOTICE OF MEETINGS**

- 10.1 An annual general meeting shall be called by not less than 21 (twenty one) days' notice and a general meeting by not less than 14 (fourteen) days' notice. The notice shall specify the place, the day and the hour of the meeting and, in the case of special business in addition to any other requirements contained in this constitution, the general nature of that business and the reasons for it shall be given in the manner hereafter mentioned or in such other manner, if any, as may be prescribed by the Trustees to such notices from the Association, provided that a general meeting or an annual general meeting of the Association shall notwithstanding that it is called by shorter notice than that specified in this Constitution, be deemed to have been duly called if it is agreed to by not less than 33% (thirty three per centum) of members of the Association having a right to attend and vote at the meeting.
- 10.2 Notice of the annual general meeting and/or a general meeting shall be delivered by hand, sent by registered mail, fax or e-mail to members of the Association.

11. **PROXIES**

- 11.1 A member may be represented at an annual general meeting and/or general meeting by a proxy.
- 11.2 The instruments appointing a proxy shall be in writing signed by the member concerned or his duly authorised agent in writing but need not be in any particular form provided that where a member is more than one person any of those persons may sign the instrument appointing a proxy on such member's behalf. Where a member is a company, the proxy may be signed by any person authorised by resolution of the board of directors of the company or by its secretary and, where a close corporation, by any member of such close corporation and, where an association of persons, by the secretary thereof and, where a trust, by a person duly authorised by the trustees of such trust.
- 11.3 The instrument appointing a proxy and the power of attorney (if any) under which it is signed or a certified copy thereof shall be lodged with the Association at least 24 (twenty four) hours before the scheduled time for the commencement of the meeting or adjourned meeting concerned. The instrument appointing a proxy shall be valid only for the specific meeting or the adjournment thereof.



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

12. **QUORUM**

- 12.1 No business shall be transacted at any annual general meeting or general meeting unless a quorum is present when the meeting proceeds to business and when any resolution is to be passed. The quorum necessary for the holding of any meeting shall be the members of the Association having 33% (thirty three per centum) of the total voting rights entitled to attend and vote thereat.
- 12.2 If, within 30 (thirty) minutes after the time appointed for the commencement of the meeting, a quorum is not present, the meeting, if convened on the requisition of members of the Association, shall be dissolved, in all other cases, the meeting shall stand adjourned to the same day in the next week at the same place and time and, if at such adjourned meeting, a quorum is not present, the members of the Association present shall constitute a quorum.

13. **AGENDA AT MEETINGS**

In addition to any other matters by this constitution to be dealt with at any annual meeting, the following matters shall be dealt with at every annual general meeting:

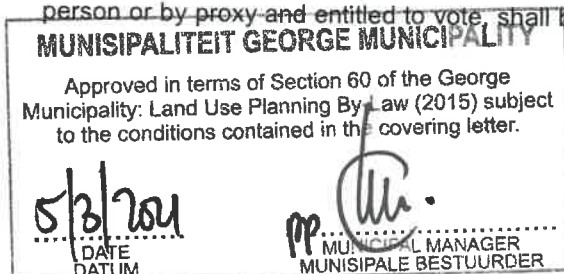
- 13.1 the consideration of the chairman's report;
- 13.2 the election of Trustees;
- 13.3 the consideration of the financial statements of the Association for the last financial year of the Association preceding the date of such meeting;
- 13.4 the consideration of the budget as presented by the Trustees and consideration of all levies as currently levied by the Association.

14. **PROCEDURE AT MEETINGS**

- 14.1 The chairman shall preside as such at all meetings provided that if he is not present within 15 (fifteen) minutes after the time appointed for the holding thereof, then the Trustees present at such meetings shall vote to appoint a chairman for the meeting who shall thereupon exercise all the powers and duties of the chairman in relation to such meeting.
- 14.2 The chairman may, with the consent of any meeting at which a quorum is present (and if so directed by the meeting), adjourn a meeting from time to time and from place to place. No notice need be given of the adjourned meeting save for an announcement at the meeting of the date, time and venue of the adjourned meeting. Only business left uncompleted at the original meeting may be transacted at the adjourned meeting.

15. **VOTING**

- 15.1 At every annual general meeting or general meeting of the Association every member, in person or by proxy and entitled to vote shall be allocated 1 (one) vote. Provided that in the



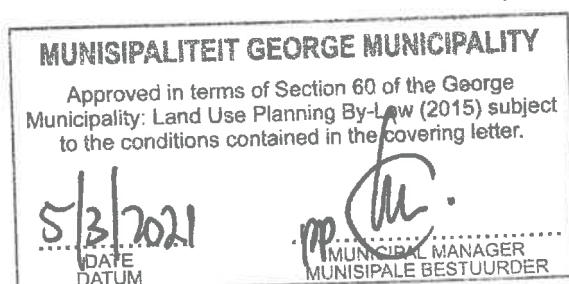


case of a member who is a property owner, such member shall have 1 (one) additional vote per additional property owned.

- 15.2 If a property is registered in more than one person's name, then they shall jointly have the attributed vote value.
- 15.3 Save as expressly provided for in this constitution, no person other than a member of the Association duly registered and who shall have paid every levy and other sum (if any) which shall be due and payable to the Association in respect of or arising out of his membership and who is not under suspension, shall be entitled to be present and to vote on any question either personally or by proxy.
- 15.4 At any annual general meeting or general meeting a resolution put to the vote at the meeting shall be decided on an ordinary majority of votes represented by members of the association entitled to attend and vote thereon present in person or by proxy.
- 15.5 Voting on any question of adjournment shall be decided on an ordinary majority of votes of members entitled to attend and vote thereat present in person or by proxy.
- 15.6 Every resolution for the addition to, amendment, substitution or repeal of any provision hereof, shall be seconded at the meeting and, if not seconded, shall be deemed not to have been proposed.
- 15.7 Unless any member of the Association present in person or by proxy at a meeting shall, before closure of the meeting, have objected to any declaration made by the chairman of the meeting as to the result of any voting at the meeting, or to the propriety or validity of the procedure at such meeting, such declaration by the chairman shall be deemed to be a true and correct statement of the voting and the meeting shall in all respects be deemed to have been properly and validly constituted and conducted and an entry in the minutes without a record of the number of votes recorded in favour of or against such motion shall be conclusive evidence of the resolution so recorded if such entry confirms with the declaration made by the chairman of the meeting as to the result of any voting at the meeting.

16. **MINUTES OF MEETINGS OF THE ASSOCIATION**

- 16.1 The Trustees shall ensure that minutes are taken of every meeting of the Association, although not necessarily verbatim, which minutes shall be reduced to writing without undue delay after the meeting has closed and shall then be certified correct by the chairman of the meeting.
- 16.2 The Trustees shall keep all minute books of meetings of the Association in perpetuity.
- 16.3 On the written application of any member of the Association the Trustees shall make all minutes of the proceedings and/or meetings of the Association available for inspection by such member at such member's cost.
- 16.4 All resolutions recorded in the minutes of any meetings of the Association shall be valid and of full force and effect as therein recorded, with effect from the passing of such resolutions, and until varied or rescinded, but no resolution or purported resolution of the Association shall be of any force or effect, or shall be binding upon the members of the Association or any of the Trustees, unless such resolution is competent within the powers of the Association.



- 16.5 Save as otherwise provided in this constitution, the proceedings at any meeting of the Association shall be conducted in such reasonable manner and form as the chairman of the meeting shall decide.

17. **DUTIES AND OBLIGATIONS OF MEMBERS**

- 17.1 No member shall make any structural alteration, addition or demolition to any part of any improvement erected on his property without the written consent of the relevant authority/ies and the Association nor permit the external appearance of the improvements thereon to deteriorate into an untidy or unsightly condition. Provided that the member desiring to make any alterations, additions, modifications or renovations shall submit a full set of proposed building plans, including construction and design details, to the Trustees for written approval, prior to submission of such plans to the local authority.
- 17.2 A member shall not erect or cause to be erected on his property any building or other improvements unless the member shall have obtained the prior, written approval of the Association in respect of such building or improvements, which such written approval shall be obtained by the member before the member applies to the local authority for approval in respect of such building or improvement.
- 17.3 A member shall not transfer a property unless it is a condition of his deed of alienation that the transferee shall bind himself to become a member of the Association, further state that he is aware that on registration of the property into his name he shall *ipso facto* become a member of the Association and unless it is a condition of the deed of alienation of his property that in the event that his successor-in-title increases the accommodation potential of the property by increasing the number of bedrooms thereon and/or increases the number of bathrooms and/or water closets and/or bath and/or showers on the property then the successor-in-title shall be liable to pay the local authority any augmentation fee/s in respect of such increase/s with the successors-in-title acknowledging that he shall not be entitled to transfer the property unless this acknowledgment is embodied in the deed of alienation in respect of the transfer of the property.
- 17.4 A member may not resign as a member of the Association.
- 17.5 A property dwelling unit shall be occupied only by the nominated occupant[s] being 50 years of age save if the occupant's spouse is less than 50 [fifty] years of age, no occupant who is less than such age may reside on this property and no member shall allow his property to be occupied by a person who is less than such age unless such person's spouse is less than such age and any other occupant less than 50 [fifty] years shall not without the written consent of the Association occupy a dwelling unit, provided that:
- 17.5.1 it shall be deemed not to be a breach of this clause for the nominated occupant[s] of a property with dwelling unit to part with occupation, whether on a sub-lease or other basis, during such occupant's temporary absence on holiday or otherwise, provided that the Association has consented thereto in writing, which consent will not be unreasonably withheld;
- 17.5.2 the Association shall be entitled to consent to the holding of a property with dwelling unit by a Trust or Company or Close Corporation or like entity on behalf of a person who would be acceptable as an owner in terms of sub-clause 17.6.1, which person shall thereafter be deemed to be the nominated occupant for the purpose of sub-clause 17.5.

17.6 Save for the first transfer of a property with dwelling unit in the retirement scheme by the seller, no property may be alienated and/or transferred unless the Association has granted its

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Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.

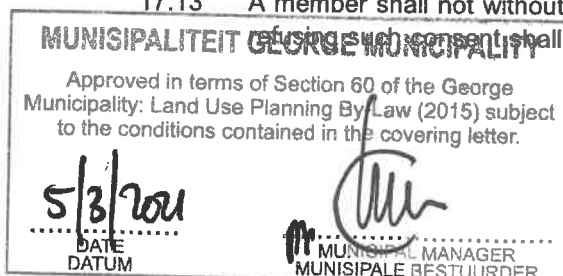
5/3/2024

DATE  
DATUM

MUNICIPAL MANAGER  
MUNISIPALE GESTUURDER

written consent to such alienation and/or transfer. Before granting any such consent, the Association shall be entitled to:

- 17.6.1 be satisfied as to the suitability of the proposed transferee or occupant[s] in relation to need and compatibility, bearing in mind that the retirement scheme has been established to provide accommodation to retired persons. The Association shall not be obliged to furnish any reasons for any decision which it may make in terms hereto;
- 17.6.2 require that the nominated occupant[s] be stipulated and to required such reasonable proof as they may deem fit that the transferee [or nominated occupant[s]] has attained the age of 50 years or such other age as may be determined in accordance with the Act or any amendments thereto;
- 17.6.3 require a medical certificate from a qualified medical doctor certifying that the proposed transferee or occupant is medically fit and self-sufficient to occupy the dwelling and live independently.
- 17.7 The conditions referred to in sub-clauses 17.5 and 17.6 above shall apply to a body corporate in respect of the sectional title owners when established.
- 17.8. Every member is obliged to comply with:
- 17.8.1 the provisions of this constitution and any regulations passed by the Association in terms hereof;
- 17.8.2 any agreement concluded by the Association insofar as such agreement may directly or indirectly impose obligations on a member in his capacity as a member;
- 17.8.3 any directive given by Trustees in enforcing the provisions of this constitution.
- 17.9 The rights and obligations of a member are not transferable and every member shall to the best of his ability, further the objects and interests of the Association.
- 17.10 The members shall be jointly liable for expenditure incurred in connection with the Association as more fully later referred to herein. If a member consists of more than one person such persons shall be jointly and severally liable *in solidum* for all obligations of a member in terms of this constitution.
- 17.11 A member shall not give transfer of a property and the Association shall not allow a single residential dwelling unit to be transferred unless the Association acting through the Trustees or through the managing agent has issued a prior written clearance that all outstanding levies and all amounts of whatever nature owing to the Association by such member or by such single residential dwelling unit owner have been paid and that the member or single residential dwelling unit owner is not in breach of any of the provisions of this constitution, or unless, with reference to the provisions of sub-clause 18.3 below, the member or the single residential dwelling unit owner has secured payment of the contribution payable to the satisfaction of the Association.
- 17.12 For the avoidance of doubt it is recorded that the provisions of sub-clause 17.11 above do not apply to the Developer, that there will be no restriction whatsoever on the ability of the Developer to pass transfer of any property and that accordingly the Developer does not need a clearance certificate from the Association before it will be entitled to alienate or transfer any property or single residential dwelling unit to any person or entity.
- 17.13 A member shall not without the prior written consent of the Association, who in granting or refusing such consent, shall act in its absolute discretion, apply to the local authority or any



other relevant authority for the subdivision or rezoning of a property owned by the member, or make application for any consent use or waiver or departure or any other dispensation whatsoever in respect thereof.

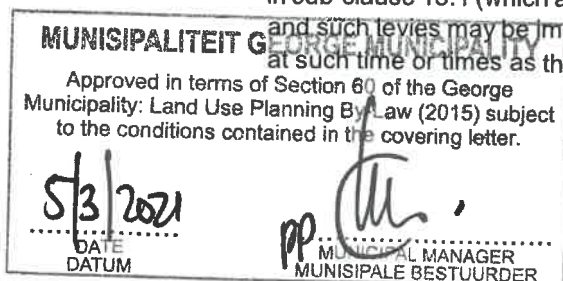
- 17.14 A member is required to ensure that the occupant of his property, whether such occupation arises from an agreement of lease or otherwise, complies with all applicable provisions of this constitution and the regulations. Without detracting from the foregoing the member shall remain bound by this constitution and the regulations. Without detracting from the foregoing the member shall remain bound by this constitution notwithstanding such occupation and be jointly and severally liable for the acts and omissions of the occupant and for fulfilling all his obligations under this constitution.
- 17.15 Each member shall:
- 17.15.1 refrain from doing and shall prevent others from doing and not suffer to be done on any property/sectional title unit anything which, in the opinion of the Board of Trustees, is noisome, unsightly, injurious, objectionable or detrimental or constitutes a public or private nuisance or a source of disturbance, or cause any damage to any member, tenant or occupier of any property/sectional title unit in the development;
- 17.15.2 comply with all security procedures implemented in the development from time to time and procure that his tenants and occupiers of and invitees to the development comply therewith;
- 17.15.3 ensure that he and his tenants and occupiers of and invitees to the development do not damage the common areas or any part thereof.

## 18. LEVIES

### 18.1 The Board of Trustees shall

- 18.1.1 establish and maintain a levy fund for the purposes of meeting all expenses of the Association for the control, management and administration of Kraaibosch Village and for charges for the supply of any service required by the Association and any rates or levies which may from time to time be imposed by the local authority and/or other competent authority and/or for payment of all expenses necessary or reasonably incurred in connection with the management of the Association and the maintenance, repair and renewal of common areas and facilities including the dams and streams.
- 18.1.2 estimate the amount which will be required by the Association to meet its expenses during each year, together with such estimated deficiency, if any, as shall result from the preceding year and must include in such estimate an amount to be held in reserve to meet anticipated future expenditure not of an annual nature;
- 18.1.3 require members whenever necessary to make contributions to such fund for the purposes of satisfying the expenses referred to in sub-clauses 18.1.1 and 18.1.2, equal as nearly as is reasonably practical to such estimated amount.

- 18.2 The Board of Trustees may, from time to time, make special levies upon members effective from the date of passing of the applicable resolution in respect of such expenses referred to in sub-clause 18.1 (which are not included in any estimate made in terms of sub-clause 18.1.2) and such levies may be imposed and shall be payable in one sum or by such installments and at such time or times as the Board of Trustees shall deem fit.





- 18.3 Any amount due by a member by way of a levy shall be a debt due by him to the Association payable within such time as determined by the Board of Trustees. The obligation of a member to pay a levy shall cease upon his ceasing to be a member save that he shall remain liable for all levies calculated up to the date upon which he ceases to be a member. No levies paid by a member shall be repayable by the Association upon his ceasing to be a member. A member's successor in title to an erf shall be liable as from the date upon which he becomes a member pursuant to the transfer of such erf to pay the levies attributable to that erf. No member shall be entitled to transfer his erf until the Board of Trustees have certified that the member has, at the date of transfer, paid all amounts owing by him to the Association.
- 18.4 In calculating levies, the Board of Trustees shall take into account income, if any, earned by the Association;
- 18.5 The decision of the Board of Trustees in calculating the levies shall be final and binding on all members
- 18.6 The monthly levy payable by a member on the first day of every month shall be apportioned on a differential basis as follows:
- 18.6.1 The 75 members being owners of single residential erven shall pay equal levies to the Association in accordance with the provisions of this clause 18;
- 18.6.2 The 40 ALC members, being owners of 39 residential sectional title units and the one frail care owner, shall pay a percentage of the levy payable by the 75 members being owners of single residential erven. The percentage due and payable by the 40 ALC members shall be negotiated and agreed upon annually and contained in a written memorandum of understanding between the Board of Trustees and the body corporate to be concluded during the month prior to an annual general meeting of the Association. The aggregate of the levies payable by the ALC members shall become due and payable on the first day of every month by the ALC body corporate to the Association.
- 18.7 No member shall be entitled to vote or to enjoy any of the other privileges of membership unless and until he shall have paid every levy and other sum (if any) which shall be due and payable to the Association in respect of his membership thereof.
- 18.8 All levies are due and payable by members on the first day of the month immediately following the month in which such liability arose and thereafter, on the first day of each and every following month.
- 18.9 Members shall be liable for payment of interest on outstanding amounts at a rate determined by the Board of Trustees from time to time but not exceeding the maximum annual rate permitted by law. Interest calculated at the determined rate is recoverable from the date on which the amount is due and payable to the date of payment provided that any portion of a month will be regarded as a full calendar month for the purposes of this calculation.
- 18.10 Upon the Alienation or Deemed Alienation of a property in the retirement scheme, the transferor or the owner of the property shall pay a Capital Contribution Levy against registration of transfer to the Association for the credit of the levy stabilisation fund controlled by the Association, which levy shall be equal to 5% [five per cent] of the Fair Market Value of the property at the time of the Alienation or Deemed Alienation, subject to the exemptions specified in sub-clauses 18.11 and 18.12 below.

- 18.11 Where a property is transferred from the estate of the transferor or from the joint estate of the transferor to his or her heir/s, heirs for the purposes hereof being only children of the deceased or the surviving spouse of the deceased, such Alienation shall be exempt from the payment of a Capital Contribution Levy. This clause shall be applicable *mutatis mutandis* in the event of a Deemed Alienation;
- 18.12 No Capital Contribution Levy will be payable in respect of the Alienation of a property from the Developer to the first purchaser or Transferee thereof.

## 19 SERVICES: TAKEOVER / MAINTENANCE

- 19.1 In respect of water, electrical and sewerage systems for the entire Kraaibosch Village the following shall apply:
- 19.1.1 upon completion by the Developer at its cost of such services, to the satisfaction of the local authority, who shall act reasonably in that regard, ownership in such services shall automatically vest in the local authority free of charge;
- 19.1.2 the local authority shall at all times, at its cost, be solely responsible, up to the consumer side of water meters, the electricity connection cable and the sewer connection up to the individual property boundary, for the maintenance of such services, as well as the reading of meters and the issuing of accounts to the individual property owners;
- 19.1.3 electricity and water meters shall remain the property of the local authority which retains ownership thereof;
- 19.1.4 all usual and normal conditions and fees for connections of water, sewer and electricity in terms of applicable by-laws shall apply;
- 19.1.5 the local authority shall enjoy reasonable access to Kraaibosch Village for the maintenance and inspection of the services and for the reading of meters, subject to compliance with the security requirements from time to time of the Association; and
- 19.1.6 no persons other than the authorized agents of the local authority shall interfere with or connect to any municipal service or meter.
- 19.2 In respect of all other services including but not limited to maintenance and control of dams and streams, roads, pavements, parks and storm water disposal (i.e. only excluding water, electrical and sewer systems) for the entire Kraaibosch Village, the following shall apply:
- 19.2.1 upon completion by the Developer at its cost of such services to the satisfaction of the local authority, who shall act reasonably in that regard, ownership in such services shall automatically vest in the Association free of charge;
- 19.2.2 initially the Developer and, upon establishment of the Association and its operating structures, the Association shall be responsible for the maintenance of such services, as well as the ongoing implementation of environmental protection procedures.
- 19.3 Refuse removal will be undertaken by the Local Authority at standard refuse collection tariffs applicable from time to time. The service provided by the Local Authority in respect of refuse removal will be at the local authority's normal service levels with regard to frequency and

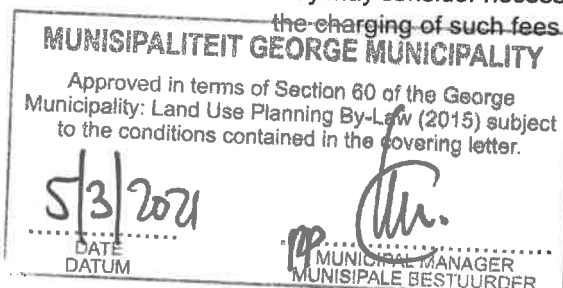
- 19.4 The Developer shall be responsible for the maintenance of any temporary services during development until replaced by permanent services which shall vest in the local authority.

**20. COMMON PROPERTY**

- 20.1 After transfer to the Association neither the whole nor any portion of the common property shall be:
- 20.1.1 sold, let, alienated, otherwise disposed of, sub-divided or transferred; or
  - 20.1.2 mortgaged; or
  - 20.1.3 subject to any rights of use, occupation or servitude other than those contained in the present and exiting title of the land, or to be imposed in the title deed/s of the common property as required by any relevant authority or as contained in this constitution, whether registered in the Deeds Registry or not.
- 20.2 The Association is hereby empowered to take transfer and shall take title to the common property or portions thereof, from time to time, free of any mortgage bond, at a nominal consideration. Such transfer shall be affected in respect of those portions of the common property that fall within any particular phase of the development when 80% (eighty per centum) of the properties have been transferred to the purchasers thereof or such earlier date/s as may be agreed between the Developer and the Association but in any event by no later than the completion of the period of the development.
- 20.3 Subject to the provisions of clause 21 below, the Board of Trustees shall have control of all sporting or social and recreational facilities and amenities within the common property and may set down such rules as they may consider necessary from time to time for the use of any such amenities by the members, including the charging of such fees as they may deem necessary or desirable. The Board of Trustees may delegate to other committees such powers, duties and functions as to enable such committee to co-ordinate the activities and requirements of the various sub-clubs and other estate societies and associations, particularly in relation to the orderly use of the clubhouse facilities. No persons other than the members may use or enjoy such facilities, save for such limited number of guests, personally invited and accompanied by the member concerned. The Board of Trustees may establish or permit the establishment of clubs or associations of members to control and regulate the use of any sporting, social or recreational facilities and may delegate to the committees of such clubs any or all of their functions, powers and duties in relation to the particular facility or amenity concerned as it may deem fit.

**21. COMMUNAL FACILITY**

- 21.1 Ownership in the communal facility shall vest in the Association;
- 21.2 In respect of the clubhouse of the communal facility and until the Board of Trustees decrees otherwise in terms of the provisions of sub-clause 21.3 below, residents in the properties within the development land shall have preference in respect thereof.
- 21.3 The Board of Trustees shall control the communal facility and shall set down such rules as they may consider necessary from time to time for the use of same by the members, including the charging of such fees as they may deem necessary or desirable. The Board of Trustees



may appoint a suitably qualified person or entity to manage the communal facility on behalf of the Association.

**22. PREFERENCE TO PURCHASE:**

**22.1 ASSISTED LIVING UNITS IN SECTIONAL TITLE SCHEME**

In respect of the Assisted Living units in the proposed sectional title scheme the registered owners of single residential units shall have preference to purchase an assisted living unit when such a unit becomes available. A registered owner of such an assisted living unit shall be obliged to inform the association of his/her intention to sell his/her assisted living unit in which event any registered single residential unit owner shall have a right of first refusal for a period of 14 [fourteen] days from date of notification to purchase such an assisted living unit at the registered owner's selling price;

**22.2 SINGLE RESIDENTIAL DWELLING UNITS**

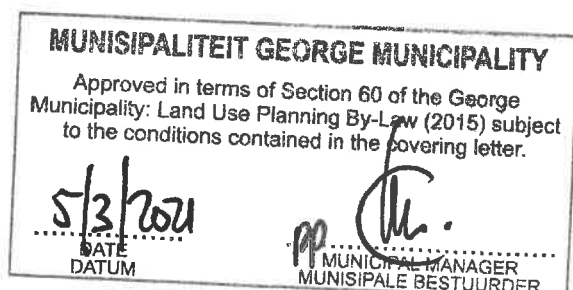
In respect of the single residential dwelling units in the proposed development scheme the registered owners of properties in Kraaibosch Estate and Manor shall have preference to purchase a single residential dwelling unit when such a unit becomes available. A registered owner of such a single residential dwelling unit shall be obliged to inform the Kraaibosch Country Estate and Manor Home Owners Association of his/her intention to sell his/her single residential dwelling unit in which event any registered residential property owner in Kraaibosch Country Estate and Manor shall have a right of first refusal for a period of 14 [fourteen] days from date of notification to purchase such a single residential dwelling unit at the registered owner's selling price;

**23. MANAGING AGENT**

23.1 The Board of Trustees shall, in addition to the powers contained herein, have the power from time to time, if deemed necessary, to appoint in terms of a written contract, a Managing Agent to control, manage and administer the Kraaibosch Village and to exercise such powers and duties as may be entrusted to the Managing Agent, including the power to collect levies, provided that a Managing Agent shall be appointed for a year at a time, and unless the Board of Trustees notify the Managing Agent to the contrary, such appointment will be automatically renewed from year to year.

23.2 The Board of Trustees shall ensure that there is included in the contract of appointment of a Managing Agent a provision to the effect that if the Managing Agent is in breach of any of the provisions of his contract or if he is guilty of conduct which at common law would justify the termination of a contract between master and servant, the Board of Trustees may, without notice, cancel such contract of employment and the Managing Agent shall have no claim whatsoever against the Board of Trustees and/or the Association as a result of such cancellation.

23.3 With effect from the date of commencement of the Association, the Developer, in its sole discretion, is entitled to appoint the first Managing Agent for a period of 12 [twelve] months or until the first annual general meeting of the Association, whichever first occurs.





**24. FINANCIAL YEAR-END**

The financial year-end of the Association is the last day of February of each year.

**25. AUDIT**

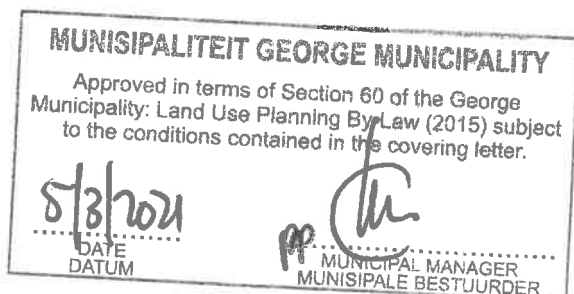
- 25.1 Once at least in every year, the accounts of the Association shall be examined and the correctness of the income and expenditure account and balance sheets ascertained by the Auditors.
- 25.2 The duties of the Auditors shall be regulated in accordance with general practice and applicable professional standards.

**26. INDEMNITY**

- 26.1 All the Trustees are indemnified by the Association against any liabilities bona fide incurred by them in their capacities as such and in the case of the chairman in his capacity as chairman, as well as for all costs, losses and expenses (including traveling expenses) which they may incur or become liable for by reason of any authorized contract entered into, or any authorized act or deed done, in the discharge of any of their duties and, without detracting from the generality thereof, whether defending any proceedings, civil or criminal or otherwise in which relief is granted by a court.
- 26.2 A Trustee shall not be liable for the acts or omissions of the Auditors or of any of the other Trustees whether in their capacities as Trustees or as chairman or for any loss or expense sustained or incurred by the Association through the insufficiency or deficiency of any security in or upon which moneys of the Association are invested or for loss or damage arising from the insolvency or wrongful act of any person with whom any moneys, securities or effects are deposited or for any loss or damage occasioned by any error of judgment or oversight on his part or for any loss, damage or misfortune of whatsoever nature occurring in the execution of his duties or in relation thereto unless occurring as a result of mala fides, breach of duty or breach of trust.

**27. DEFAMATION PRIVILEGE**

Every member of the Association and every Trustee shall be deemed by virtue of his membership, or as the case may be, his holding office as a Trustee, to have waived as against every other member, the chairman, every other Trustee, and everybody else engaged to perform the function or duty on behalf of or for the benefit of the Association, or the Trustees, or any sub-committee, all claims and rights of action which such Member or Trustee might otherwise have had in law arising as a result of any statement, report, complaint or notice of or concerning such Member or Trustee, or any reference to such member or Trustee, made at any meeting of Trustees, or otherwise in the performance or exercise of any right, function, duty, power or trust, within the ambit of this Constitution, being a statement, report, complaint, notice or reference defamatory to such member or Trustee, or otherwise injurious to the dignity, reputation, business or financial interest of such member or Trustee, whether such statement be true or false.



**28. OWN RISK**

Any person using any of the services, land or facilities of the Association does so entirely at his own risk.

**29. ARBITRATION**

29.1 Should any dispute, question or difference arise between Members or between a Member and Trustee or the Association out of or in regard to:

29.1.1 the interpretation of;

29.1.2 the effect of;

29.1.3 their respective rights or obligations under;

29.1.4 a breach of (save for non-payment of levies or any other amount due by a member in terms of this Constitution)

such dispute shall be decided by arbitration in the manner set out in this clause 29.

29.2 In respect of any claim arising from non-payment of levies or any other amount due by a member to the Association in terms of this Constitution, the Association and Trustees shall continue to enjoy common law rights and the remedies stipulated in this Constitution and shall not be required to proceed to arbitration and shall not be precluded from instituting proceedings in any court of competent jurisdiction.

29.3 The arbitration referred to in clause 29 shall:

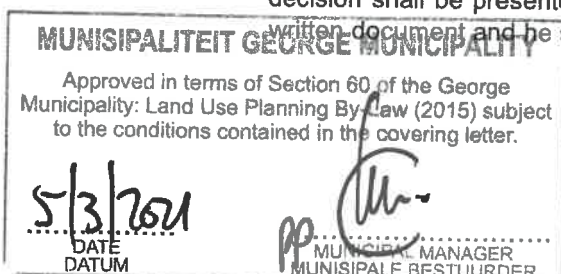
29.3.1 be conducted in an informal summary manner on the basis that it shall not be necessary to observe or carry out either the usual formalities or procedures relating to pleadings or discovery or the strict rules of evidence; and

29.3.2 commence as soon as reasonably possible after it is demanded and with a view to its being completed within 30 (thirty) days after it is demanded; and

29.3.3 be held under the provisions of the Arbitration Act of the Republic of South Africa (as amended or replaced from time to time) except insofar as the provisions of this arbitration clause shall apply.

29.4 The arbitrator shall be a practicing senior counsel of not less than 5 (five) years standing appointed by agreement between the parties to the arbitration within 7 (seven) days of being called upon to make such appointment and failing agreement on such appointment within the 7 (seven) day period, appointed by the President of the Cape Town Attorneys Association or the successor to that Association.

29.5 The arbitrator shall, in giving his award, have regard to the principles contained in this Constitution and he shall decide the matter as submitted to him according to what he considers just and equitable in the circumstances and, therefore, the strict rules of Law need not be observed or be taken into account by him in arriving at his decision. The arbitrator's decision shall be presented within 10 (ten) days after the completion of the arbitration in a written document and he shall state the reasons for his decision therein. The arbitrator may



determine that the cost of the arbitration be paid either by one or other of the disputing parties or by both in such proportion as he may determine or by the Association as he in his sole discretion may deem fit.

29.6 Each of the parties to the arbitration irrevocably agree that the decision of the arbitrator made at such arbitration proceedings:

29.6.1 shall be final and binding on each of them; and

29.6.2 shall be carried into effect immediately; and

29.6.3 may be made an order of any Court to whose jurisdiction the parties are subject upon application by any party or the Association.

29.7 Notwithstanding anything to the contrary contained in this clause 29, the Trustee shall be entitled to institute legal proceedings on behalf of the Association by way of application, action or otherwise in any Court having jurisdiction for the purposes of restraining or interdicting breaches of any of the provisions of this Constitution, including the Architectural Guidelines.

### 30. SOUTH AFRICAN REVENUE SERVICES REQUIREMENTS FOR INCOME TAX EXEMPTION

30.1 The sole object of the association is to manage the collective interests common to all its members, which includes expenditure applicable to the common property of such members and the collection of levies for which such members are liable.

30.2 The Association is not permitted to distribute its funds to any person other than to a similar association of persons.

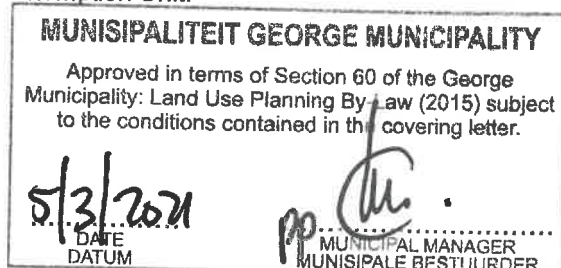
30.3 On dissolution of the Association, the remaining assets must be distributed to a similar association of persons, which is also exempted from income tax in terms of section 10[1][e][i][cc] of the Act.

30.4 Any amendments to the constitution must be submitted to the Commissioner for the South African Revenue Service.

30.5 Funds available for investment may only be invested with a financial institution as defined in section 1 of the Financial Services Board Act, 1990 [Act No. 97 of 1990], and in securities listed on a stock exchange as defined in section 1 of the Stock Exchanges Control Act, 1985 [Act 1 of 1985].

30.6 The Association is not or was not knowingly a party to, or does not knowingly permit or has not knowingly permitted itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is or was the reduction, postponement or avoidance of liability for any tax, duty or levy which, but for such transaction, operation or scheme, would have been or would have become payable by any person under the Income Tax Act or any other Act administered by the Commissioner for the South African Revenue Service.

30.7 Annual returns of income tax together with financial statements must be submitted to the Tax Exemption Unit.

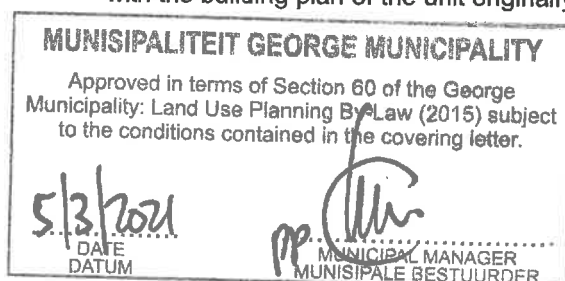


### 31. HEALTH CARE

- 31.1 From date of registration of transfer of the first single residential dwelling unit to a purchaser, a part time primary health care facility will be established and available to all occupants of residential units in the development scheme until the date of completion of the "Assisted Living" building which forms part of the sectional title development to be erected on Erf 26586 George in which event the primary healthcare facility will pass to and be the responsibility of the body corporate to be established in terms of the Sectional Title Act – Act 95/1986 as amended, the Sectional Title Scheme Management Act, Act 8/2011 and the Community Scheme Ombud Services Act, Act 9/2011
- 31.2 A part time primary health care facility contract will be concluded between the developer or nominee and a service provider, which will govern the part time primary health care facility available to all occupants of residential units in the development scheme, which contract will be binding on the Home Owners Association and/or body corporate for a period of 3 [three] years from the effective date of such contract.
- 31.3 The part time primary health care facility referred to in 31.1 will be manned by care workers which will offer part time primary health care services to all occupants of residential units in the development scheme on condition that all direct costs relating to consultations and medical services shall be for the account of the occupants of residential units in the development scheme.
- 31.4 The "Assisted Living" health care facility and units will be managed and maintained by a separate body corporate to be established in terms of the Sectional Title Act.
- 31.5 The part time primary health care facility may be expanded if needed in the exclusive discretion of the Association and/or the body corporate.
- 31.6 The part time primary health care service provider to be contracted with will be registered with the Board of Healthcare Funders of Southern Africa [a non-profit company registration number 2001/003387/07].

### 32. DESIGN ARCHITECTURAL GUIDELINES

- 32.1 The Design Architectural Guidelines constitute an integral part of this Constitution and all improvements shall comply with the provisions of the Design Architectural Guidelines.
- 32.2 No building plan shall be approved on any erf without the prior written approval of the Association, and further subject to the Standard and/or Municipal Building Regulations that may be applicable from time to time;
- 32.3 No additions and or alterations to units shall be permitted without the prior written approval of the Association, and further subject to the standard and/or Municipal Building Regulations enforced from time to time;
- 32.4 No demolition or removal of any feature which constituted an original portion of the scheme shall be permitted without prior written approval of the Association, and further subject to the standard and/or Municipal Building Regulations that may be enforced from time to time;
- 32.5 Should it be necessary to rebuild any unit in its entirety such rebuilding shall be in accordance with the building plan of the unit originally approved;




- 32.6 Any communal portion of a supporting wall, roof, pipe, gutter, fencing or other structure or object on such unit shall be maintained by the owner of the unit;
- 32.7 Each portion of such supporting wall, roof, pipe, gutter, fencing or other structure or object on such unit shall likewise be maintained by the owner of the unit;
- 32.8 Access to such unit shall be allowed for the purpose of maintenance, cleaning, renovations, repair, renewal, alterations of and in addition to such wall, roof, pipe, gutter, fencing or other structure or object and nothing shall be done which may prevent access to or hinder such access;
- 32.9 Should the Association resolve to approve any such alterations and or additions, they shall be of such a nature as to be applicable to all unit owners and all unit owners shall be permitted without exception to affect similar alterations and additions;
- 32.10 A plan shall be provided showing the proposed location of the alterations and/or additions in relation to all units within the direct vicinity of the unit. (This does not imply that all unit owners should necessarily also affect such additions and alterations. The said plan is required only to enable an evaluation to be made of the total effect of a proposal on the aesthetic appearance of the scheme);
- 32.11 Should it be proposed to alter the colour scheme of the complex an indication must be given of the period in which the scheme in its totality of colour scheme will be altered and such period shall not be later than one year from the date of commencement of the alteration of the colour scheme.

### 33. **STORMWATER MANAGEMENT PLAN**

The Association shall be obliged to adhere to the approved George Municipal storm water management plan applicable to the Development

### 34. **AMENDMENT**

- 34.1 No provision hereof shall be added to, amended, substituted or repealed without the prior consent in writing of
- 34.1.1 the local authority, and
- 34.1.2 the Developer for as long as the Developer is a member
- 34.2 Subject to the provisions of clause 34.1, such addition, amendment, substitution, or repeal shall require the approval of at least 67% [sixty seven per centum] of the total number of votes of Members of the Association given at a general meeting called specifically for such purpose and the notice of such meeting shall, in addition to complying with the requirement for the convening of a meeting, set out in specific terms the proposed addition, amendment, substitution or matter to be repealed.

<b>MUNISIPALITEIT GEORGE MUNICIPALITY</b>	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
5/3/2021	
DATE DATUM	MUNICIPAL MANAGER MUNISIPALE BESTUURDER