



**ROMANSBAAI**

BEACH & FYNBOS ESTATE, DANGER POINT

**REPUBLIC OF SOUTH AFRICA**

**COMPANIES ACT 71 OF 2008**

**M E M O R A N D U M   O F   I N C O R P O R A T I O N**

**O F   A   N O N   P R O F I T   C O M P A N Y**

**ROMANSBAAI BEACH AND FYNBOS ESTATE**

(A Non Profit Company as provided for in Schedule 1 of the Act)

Registration No of Company

Name of Company:

ROMANSBAAI BEACH AND FYNBOS ESTATE HOME OWNERS' NPC

('the N.P.C)

The Memorandum of Incorporation are as follows :

1. In the interpretation of these Memorandum of Incorporation, unless the context otherwise indicates :
  - 1.1 the following words and expressions shall have the following meanings :
    - 1.1.1 'MOI' means the memorandum of Incorporation for the time being of the NPC;
    - 1.1.2 'authorized representative' means a person authorised in terms of the Companies Act by a company or other body corporate to act as its representative at any general meeting;
    - 1.1.3 'chairman' means the chairman for the time being of the board of directors appointed in terms of article 39 below;
    - 1.1.4 'common property' means a part of the development belonging to the NPC which is not subject to any exclusive right of use by a member;
    - 1.1.5 'Companies Act' means the Companies Act No. 71 of 2008 and any amendment or modification thereof or substitution therefore from time to time;
    - 1.1.6 'Council' means the Municipality of Gansbaai and its successor/s;
    - 1.1.7 'developer' means Danger Point Ecological Development Company (Proprietary) Limited and includes its successor in title or assigns;
    - 1.1.8 'developer director' means a director appointed by the developer;
    - 1.1.9 'development area' means the land incorporating Portion 43, portion 38, portion 17 and remainder of portion 18 of The Farm Klip Fonteyn no 711 Kleinbaai, and any such adjoining land as may be acquired by the developer for the purposes of incorporation into the development;
    - 1.1.10 'development node' means a node or area comprising a group of separate erven grouped together in a particular area or node of the development;

- 1.1.11 'development period' means the period from the incorporation of the NPC until all the erven within the development area have been developed and transferred by the developer; alternatively until the developer notifies the NPC that it waives the rights herein conferred upon it during the development period;
- 1.1.12 'erf' means an erf in the development;
- 1.1.13 'facilities' mean all and any facilities or amenities of whatsoever nature which may be provided within the development area;
- 1.1.14 'financial year' means the financial year of the NPC which shall run from the first day of January in each year until 31 December of the same year;
- 1.1.15 'levy' means the levy or levies referred to in articles 9 and 13 below;
- 1.1.16 'local authority' means the local authority having jurisdiction in respect of the development area or the relevant portion thereof;
- 1.1.17 'managing agent' means the managing agent/s (if any) appointed by firstly the developer and thereafter the director from time to time in terms of article 46 below;
- 1.1.18 'member' means a member of the NPC;
- 1.1.19 'member director' means a director appointed by the members;
- 1.1.20 'memorandum' means the memorandum of incorporation for the time being of the NPC;
- 1.1.21 'minutes' means the minutes of a general meeting or a directors' meeting, as the case may be;
- 1.1.22 'person' includes a natural person, body corporate, company or an NPC of persons, as the case may be;
- 1.1.23 'registered owner' means a registered owner of an erf as registered in the relevant Deeds Office;
- 1.1.24 'services' mean such utilities, amenities and services as may be provided by or on behalf of the NPC for the registered owners and residence within the development and/or the development area;
- 1.1.25 'development' means the development known as Romansbaai Beach and Fynbos Estate or any further land purchased and includes such additional area/s as may be incorporated into the development;

- 1.1.26 'directors' means the directors for the time being of the NPC who shall, for the purposes of the Companies Act, be the directors of the NPC;
- 1.1.27 'syndicate' means a group of 'persons' who owns property in the development;
- 1.1.28 "a sale of an erf" shall deem to include a change in shareholders or members of companies and close corporations and include the sale of share(s) in an erf.
- 1.2 any words signifying the singular shall include the plural and *vice versa* and any word signifying the masculine shall include the feminine and *vice versa*;
- 1.3 any word or expression which is defined in the Companies Act and which is not otherwise defined in this MOI shall have the meaning assigned thereto in the Companies Act;
- 1.4 the head notes to the paragraphs to these MOI are inserted for reference purposes only and shall not affect the interpretation of any of the provisions to which they relate.
- 2. Subject to any provisions herein to the contrary and notwithstanding any omission of any provision from this memorandum, the NPC may do anything which the Companies Act authorises a company to do if so authorized.

### **MEMBERSHIP OF THE NPC**

- 3. Membership of the NPC shall be compulsory for every registered owner of an erf.
- 4. Membership shall commence simultaneously with registration of transfer of an erf into the name of the transferee.
- 5. Membership of the NPC shall be limited to the registered owners of erven provided that :
  - 5.1 the developer shall be deemed to be a member of the NPC during the development period;
  - 5.2 where any such registered owner is more than one person, all the registered owners of the erf shall be deemed jointly and severally to be one member of the NPC and shall nominate one of them to represent them and to vote at meetings of the NPC.
- 6. When a member ceases to be the registered owner of an erf, he shall *ipso facto* cease to be a member of the NPC, save the developer who shall remain a member of the NPC during the development period.
- 7. The registered owner of an erf shall not be entitled to resign as a member of the NPC.

8. No member shall be entitled to sell or transfer an erf unless :
  - 8.1 the transferee becomes a member of the NPC;
  - 8.2 such member obtains the written consent of the NPC which consent shall be given provided that :
    - 8.2.1 such member has paid to the NPC all levies and any other amounts of whatsoever nature or howsoever arising, owing by such member to the NPC; and
    - 8.2.2 the transferee agrees in writing to be bound by the MOI of the NPC, including specifically the entrenched provisions contained in article 26;
    - 8.2.3 such member has duly complied with all of the obligations of such member in terms of these articles;
    - 8.2.4 the provisions of Article 108 have been complied with;

## **LEVIES**

- 9.1 The directors may from time to time, impose levies upon the members for the purposes of meeting all the expenses in relation to the common property, facilities and services and for the payment of all expenses necessarily or reasonably incurred in connection with the management of the NPC and its affairs. In calculating the amount of the levies, the directors shall take into account income (if any) earned by the NPC.
- 9.2 Municipal rates and taxes will be payable to the Council in accordance with applicable legislation by the owner.
10. The director committee shall estimate the amount which shall be required by the NPC to meet the expenses during each financial year, together with such estimated deficiency (if any) as shall result from the preceding financial year, and shall impose a levy upon the members equal as near as is reasonably practical to such estimated amount. The director committee may include in such levies an amount to be held in reserve to meet anticipated future expenditure not of an annual nature. Every such levy shall be payable by equal monthly installments due in advance on the first day of each and every succeeding month of such financial year.
11. The directors shall not less than 30 (thirty) days prior to the end of each financial year give every member at the address chosen by such member a written notice of the contribution payable by that member to such expenses and reserve fund.
12. In the event of the directors for any reason whatsoever failing to prepare and timeously give notice of the estimate referred to in article 10 above, every member shall until served with such estimate, continue to pay the levy previously imposed and shall after such notice pay such levy as may be

specified in the notice, in the manner specified in the notice referred to in article 10 above, together with any arrear levies.

13. The directors may from time to time impose special levies upon the members in respect of all such expenses as are mentioned in articles 9 above (which are not included in any estimate made in terms of articles 10) and such levies may be imposed in the sum or by such installments and at such times as the directors shall deem fit.
14. In calculating the levy payable by each member, the directors shall as far as reasonably practical :
  - 14.1 assign those expenses attributable to a particular erf itself, to the registered owner thereof;
  - 14.2 assign those expenses attributable to any other development node (including a single residential development node) to the registered owners of all erven in such development node equally;
  - 14.3 assign those expenses relating to the development generally and/or any other expenses not assigned in accordance with articles 14.1 and 14.2 above, to the owners of all erven equally; provided, however, that the directors may in any case where the directors consider equitable to do so, assign to any member any greater or lesser share of such expenses as may be reasonable in the circumstances.
15. Any amount due by any member by way of a levy shall be a debt due by that member to the NPC. The obligation of a member to pay a levy shall cease upon that member ceasing to be a member of the NPC, without prejudice to the NPC's right to recover arrear levies. No levies paid by a member shall under any circumstances be repayable by the NPC upon that member 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 that erf into his name, to pay the levy attributable to that erf.
16. No member shall be entitled to any of the privileges of membership of the NPC unless and until he shall have paid every levy, subscription or other sum (if any) which shall be due and payable to the NPC in respect of his membership thereof.
17. The directors shall be empowered to impose fines in respect of non-compliance with the provisions of these articles and/or to charge interest on any arrear levies and to determine the rate of interest from time to time chargeable upon such arrear levies, which shall be in addition to such other rights as the NPC may have in law against the members, provided that such interest shall not exceed the rate laid down in terms of the Usury Act, No. 73 of 1968 or any statutory modification or re-enactment thereof.
18. The directors may enter into an agreement or agreements with the developer for the provision of a capital sum and/or the transfer of land and/or equipment to the NPC in lieu of levies.

19. Should any dispute arise at any time between the members and the directors in regard to the determination or calculation of the levies, the decision of the auditors for the time being of the NPC (acting as experts and not as arbitrators) in regard to such dispute shall be final and binding on the members and the directors.
20. In the event of any dispute arising in regard to the determination or calculation of any levy, every member shall until the determination of such dispute, pay the levies determined by the directors.

### **RESPONSIBILITIES OF THE NPC**

21. The NPC shall at all times promote environmental awareness and responsibility within the development and its members from time to time.
22. Management and maintenance of all facilities and private open spaces owned by the NPC shall vest in the NPC.
23. Ownership of land components of the development area which are not incorporated into the development shall remain the property of the developer and shall not be subject to the provisions of these articles unless incorporated into the development.
24. Responsibility for the management and control of the development shall be deemed to have been transferred from the developer to the NPC on transfer of the first erf in the development.
25. The NPC shall be responsible to the Council in respect of the various facilities and private open spaces forming part of the development should provisions of the approval of the development not be complied with at any stage after such facilities and private open spaces have been transferred to the NPC.

### **ENTRENCHED PROVISIONS**

26. The developer has a continuing and permanent interest to ensure that certain basic provisions are entrenched in perpetuity to ensure the success of the development of the development area. Accordingly, none of the following provisions of articles 26.1 to 26.8 (both inclusive) may be deleted or varied in any way in terms of article 27, without the prior written consent of the developer:
  - 26.1 the NPC may register, where necessary, various service servitudes across the development in favor of the local authority, the developer and/or the NPC, whether in respect of any separate erven or the common property;
  - 26.2 the developer has the right at any time to extend or alter the area or composition of the development by requiring the NPC to incorporate into the development any part of the development area from time to time which the developer shall be entitled to develop as it may deem fit or by requiring the NPC to transfer to the developer any

part of the development which is not part of an erf or on which no facilities or amenities are located and to add any further land purchased;

Should any part of the development area be incorporated into the development, the developer shall be entitled to require that the first and all subsequent owners thereof become members of the NPC in respect of those parts from such dates as the developer may determine, and on the same terms and conditions as are applicable to the other members of the NPC. The members shall be bound by any such requirement of the developer;

- 26.3 no member shall be entitled to object to the subdivision and/or development of any part of the development area provided that such subdivision and/or development is not inconsistent with the development plan approved by the relevant authorities for that part of the development area;
- 26.4 no erf shall be sub-divided or rezoned during the development period without the prior written consent of the developer or without the prior written consent of the NPC after the termination of the development period;
- 26.5 the NPC shall at all times be entitled to draw electricity from erven adjacent to sprinkler heads in road reserves for the purposes of powering the irrigation system for the verges of such road reserve. The cost thereof shall be borne by the NPC but recovered as part of the levy upon members;
- 26.6 ownership of an erf does not confer any right, including that of access, in respect of property owned by the developer, including any right of way or access across such property;
- 26.7 the members acknowledge and agree that the developer, its successor/s in title and its employees have certain rights, including :
- 26.7.1 rights of access across property owned by the NPC;
- 26.7.2 the right to develop other areas in the development area in the future, and also the right to share various services with the NPC and to connect any parts of the development area to the services in the development.

## **MANAGEMENT AND CONDUCT RULES**

27. Subject to these articles, to any restriction imposed or direction given at a general meeting of the NPC and subject to any condition imposed by the local authority, the directors may from time to time make management and conduct rules, and vary or modify these rules, in regard to:



- 27.1 the right to prohibit, restrict or control the keeping of any animal to which they regard as dangerous or a nuisance;
  - 27.2 the conduct of any persons within the development for the prevention of nuisance of any nature to any member;
  - 27.3 the use of services and recreational areas, amenities and facilities including the right to charge a reasonable fee for the use thereof;
  - 27.4 the maintenance of all buildings, outbuildings, structures, improvements of any nature and landscaping within the development;
  - 27.5 the control of the number of occupiers or residents permitted on any one erf;
  - 27.6 the admission of any person within the development, and the eviction of any person not entitled to be thereon;
  - 27.7 the furtherance and promotion of any of the objects of the NPC and/or for the better management of the affairs of the NPC and/or for the advancement of the interests of the members and/or the residents within the development.
28. For the enforcement of any of the rules made by the directors in terms of article 27, or of any of the provisions of these articles generally, the directors may :
- 28.1 give notice to the member concerned requiring him to remedy such breach within such period as the directors may determine; and/or
  - 28.2 take or cause to be taken such steps as they may consider necessary to remedy the breach of the rule or provision of which the member may be guilty; and debit the cost of so doing to the member concerned, which amount shall be deemed to be a debt owing by the member concerned to the NPC; and/or
  - 28.3 take such action including the imposition of a fine, or proceedings in court, as they may deem fit.
29. Should the directors institute any legal proceedings against any member or resident within the development for the enforcement of any rights of the NPC in terms hereof, the NPC shall be entitled to recover all legal costs so incurred from the member or resident concerned, calculated as between attorney and client, including tracing fees and collection commission.
30. In the event of any breach of the rules by the members or any member's household or his guests or lessees, such breach shall be deemed to have been committed by the member himself, but without prejudice to the foregoing, the directors may take or cause to be taken such steps against the person actually committing the breach as they may in their discretion deem fit.
31. If any member disputes the fact that he has committed a breach of any of the provisions of the rules made by the directors in terms of article 27 or any

provisions of these articles, a committee of 3 (three) directors appointed by the chairman shall adjudicate upon the issue at such time and in such manner and according to such procedure (provided that natural justice shall be observed) as the chairman may direct.

32. Notwithstanding anything to the contrary herein contained, the directors may in the name of the NPC enforce the provisions of any rules by civil application or action in a court of competent jurisdiction and for this purpose may appoint attorneys and counsel as they may deem fit.
33. The NPC may in general meeting itself make any rules in regard to any matter and may also vary or modify any rule made by it or by the directors from time to time.
34. All rules shall be reasonable and shall apply equally to all owners.

## **DIRECTORS**

35. The directors of the NPC shall for the development period be divided into two classes, namely developer directors and member directors. Upon expiry of the development period, there shall only be member directors.
36. There shall be not more than 5 (five) directors of the NPC of whom, during the development period :
  - 36.1 2 (two) shall be member directors appointed by the members; and
  - 36.2 the remaining directors shall be developer directors appointed by the developer.

After termination or expiration of the development period, all the directors shall be appointed by the members, provided that both the residential property owners will at all times have at least one representative director.

37. The first directors shall on registration of the NPC, and after due consultation with the members in regard to the appointment of the member directors, be appointed in writing by the majority of the subscribers to the memorandum of NPC of the NPC.
38. A director shall be a natural person and shall not necessarily be a member of the NPC. A director, by accepting his appointment to office, shall be deemed to have agreed to be bound by all the provisions of these articles.
39. The directors shall appoint one of their number to act as chairman for such term as they think fit, but not for longer than such person's tenure as a director. During the development period, the chairman shall be one of the developer directors, unless the directors otherwise agree.

## **REMOVAL AND ROTATION OF DIRECTORS**

40. Save as set out in article 43 below, each director, except for the developer directors who shall not be required to rotate on an annual basis, shall continue to hold office as such from the date of his appointment to office until the

annual general meeting next following his said appointment, at which meeting each director shall be deemed to have retired from office as such but will be eligible for re-election to the board of directors at such meeting.

41. A director shall be deemed to have vacated his office as such upon :
- 41.1 his having become disqualified to act as a director in terms of the provisions of the Companies Act;
  - 41.2 his being removed from office as provided in section 69 of the Companies Act;
  - 41.3 his estate being sequestrated, whether provisionally or finally;
  - 41.4 the commission by him of any act of insolvency;
  - 41.5 his conviction for any offence involving dishonesty or any other serious criminal offence;
  - 41.6 his becoming of unsound mind or being found lunatic;
  - 41.7 his resigning from such office in writing;

provided that anything done in the capacity of director in good faith by a person who ceases to be a director, shall be valid until the fact that he is no longer a director has been recorded in the minute book of the NPC.

42. Upon any vacancy occurring in the directors prior to the next annual general meeting, the vacancy in question shall be filled by a person nominated by those remaining for the time being of the directors. Whilst developer directors are in office, the remaining developer directors shall nominate a person to fill any such vacancy in their number.
43. The developer may remove and replace any developer director at any time upon written notice to the remaining directors.

#### **DIRECTORS' EXPENSES AND REMUNERATION**

44. Directors shall be entitled to be repaid all reasonable and *bona fide* expenses incurred by them respectively in or about the performances of their duties as directors as may be approved by the board of directors.
45. Directors shall be entitled to remuneration in respect of the performance of their duties as determined by the NPC in a general meeting.

#### **POWERS OF DIRECTORS**

46. Subject to the express provisions of these articles and the right of the developer to appoint the managing agent, the directors shall manage and control the business and affairs of the NPC, 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, may exercise all such powers of the NPC and do all such acts on behalf of the NPC as may be exercised and done by the NPC and as are not by the Companies Act or by these articles required to be exercised or done by the NPC in general meeting, subject however to such rules as may have been made by the NPC in general meeting or as may be made by the directors from time to time.

47. Save as specifically provided in this Memorandum of Incorporation, the directors shall at all times have the right to engage on behalf of the NPC the services of accountants, auditors, attorneys, architects, engineers, town planners, managing agents or any other professional firm or person or other employees whatsoever for any reasons deemed necessary by the directors on such terms as the directors shall decide.
48. The directors shall further have the power :
  - 48.1 to require that any construction of any nature within the development shall be supervised to ensure that the provisions of these articles and the rules are complied with and that all such construction is performed in a proper and workmanlike manner;
  - 48.2 to issue an architectural and environmental design and maintenance manual or instructions in respect of the development, subject to the developers approval, and to ensure that such manual is complied with at all times.
49. The directors shall have the right to vary, cancel or modify their decisions and resolutions from time to time.
50. The directors shall be entitled to appoint committees consisting of such number of their members and such outsiders, including a managing agent, as they deem fit and to delegate to such committees such of their functions, powers and duties as they deem fit, with further power to vary or revoke such appointments and delegations as the directors may from time to time deem necessary.
51. The directors shall, in conjunction with the developer, appoint an architectural review committee to exercise the powers set out above in article 48 which may, but shall not necessarily, consist of the following persons :
  - 51.1 a practising professional architect or town planner duly qualified to practice as such for his own account in the Republic of South Africa;
  - 51.2 one or more directors;
  - 51.3 such other members as the directors may determine.
52. Members of the architectural review committee shall not be required to be members of the NPC.
53. Except for any buildings, outbuildings, structures, additions or alterations to be erected or effected by the developer, all plans for buildings, outbuildings, structures, additions and alterations shall be submitted for approval by the

directors, or any person designated by them for the purpose, who shall not approve such plan unless it shall first have been reviewed by the architectural review committee.

## **PROCEEDINGS OF DIRECTORS**

54. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, subject to any provisions of these articles.
55. The quorum necessary for the holding of all meetings of the directors shall be 3 (three) directors present personally, provided that during the development period at least 1 (one) developer director shall be present at all meetings of directors to form a quorum. If no quorum is present, within 15 (fifteen) minutes after the time for commencement of the meeting, then it shall stand adjourned for 7 (seven) days, or if that is not a business day, then to the next business day thereafter, and those directors present at the adjourned meeting shall constitute a quorum.
56. At any meeting of the directors, each member director shall have 1 (one) vote and each developer director shall have 3 (three) votes.
57. Any resolution of the directors shall be carried by a simple majority of all votes cast. In the case of an equality of votes for and against a resolution, the chairman of the directors shall have a second or casting vote.
58. The directors shall cause minutes to be kept of every directors' meeting, which minutes shall, without undue delay after the meeting has closed, be reduced to writing and certified correct by the chairman. All minutes of directors' meetings shall, after certification, be placed in a directors' minute book to be kept in accordance with the provisions of the laws relating to the keeping of minutes of meetings of directors of companies. The directors' minute book shall be open for inspection at all reasonable times by any director, the auditors, the members and the managing agent.
59. A resolution signed by all the directors shall be valid in all respects as if it had been duly passed at a meeting of the directors.

## **GENERAL MEETINGS OF THE NPC**

60. The NPC shall within 6 (six) months after the end of the financial year hold a general meeting as its annual general meeting in addition to any other general meetings during that year, and shall specify the meeting as such in the notices in terms of section 61 of the Companies Act.
61. Such annual general meeting shall be held at such time and place as the directors shall decide from time to time.

62. All meetings of the members other than annual general meetings shall be called general meetings.
63. The directors may, whenever they think fit, convene a general meeting. A general meeting may also be convened by the directors on a requisition made in terms of section 62 of the Companies Act, or should the directors not do so, may be convened by the requisitionists as provided for by and subject to the provisions of that section.

## **NOTICES OF MEETINGS**

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

## **PROXIES**

66. A member may be represented at a general meeting by proxy, who must be a member of the NPC or a director, member, partner or director of that member, save for the developer whose proxy need not necessarily be a member.
67. To be effective at a meeting or adjourned meeting, a proxy together with the original or a certified copy of any power of attorney or other authority under which it is signed, must be lodged with the NPC at least 24 (twenty-four) hours before the commencement of the meeting or adjourned meeting concerned, but the directors may from time to time determine that such documents :
- 67.1 are to be lodged at a particular place; or
- 67.2 are to be lodged a certain number of hours, not exceeding 48 (forty-eight) in all, before the meeting; or
- 67.3 may be lodged at any time before or during the meeting.

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

- 68. A proxy shall be valid for an indefinite period unless it is stated on the proxy that it is only to be valid for a shorter period.
- 69. The instrument appointing a proxy shall be in the following form or as near thereto as circumstances permit:

***“ROMANSBAAI BEACH AND FYNBOS ESTATE HOME OWNERS’ ASSOCIATION NPC***

*I, .....  
of .....  
being a member of ROMANSBAAI BEACH AND FYNBOS ESTATE Home Owners’ NPC, hereby appoint:  
..... of .....  
or failing him  
..... of .....  
or failing him  
..... of .....  
as my proxy to vote for me and on my behalf at the annual general meeting (or otherwise as the case may be) of the NPC to be held on the .....day of .....  
and at any adjournment thereof as follows :*

	<i>in favour of</i>	<i>against</i>	<i>abstained</i>
<i>Resolution to</i>			
<i>Resolution to</i>			
<i>Resolution to</i>			

*(Indicate instruction to proxy by way of a cross in space provided above.)*

*Unless otherwise instructed, my proxy may vote as he thinks fit.*

*Signed this            day of*

.....  
*Signature*

*(Note: A member entitled to attend and vote is entitled to appoint a proxy to attend, speak and on a poll vote in his stead, and such proxy shall be a member of the NPC or a director, member, director or partner of a member, except for the developer.) “*

A proxy shall be valid for any adjournment of the general meeting to which it relates unless otherwise indicated on the proxy.

**QUORUM**

70. No business shall be transacted at a general meeting unless a quorum is present both when the meeting proceeds to business and when any resolution is to be passed. Save as herein otherwise provided, 10% (ten per centum) of the members present in person or by proxy shall constitute a quorum, provided that at least 3 (three) members are present in person at such meeting and provided that during the development period, at least 1 (one) representative of the developer is present at such meeting.
71. If within 15 (fifteen) minutes after the time appointed for the commencement of a general meeting or within such extended period as the chairman of the board, or in his absence, the deputy chairman, may allow, a quorum is not present, the meeting shall be dissolved as if it was convened on requisition. In all other cases, the meeting shall stand adjourned to the same place at the same time on the same day of the next week (or if that day is not a business day, the first business day following that non-business day) or to such other place, time and day as the board may determine. If a quorum is not present at such adjourned meeting, the members present shall constitute a quorum.

#### **ADJOURNMENT BY CHAIRMAN WITH CONSENT OF MEETING**

72. The chairman of a general meeting may adjourn the meeting from time to time and from place to place if the meeting approves of each adjournment by majority vote. In the event of such an adjournment :
- 72.1 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 (unless the meeting is to be adjourned for 30 (thirty) days or more in which event notice is to be given in the same manner as for the original meeting);
- 72.2 only business left uncompleted at the original meeting may be transacted at the adjourned meeting.

#### **VOTING RIGHTS OF MEMBERS**

73. Members shall be entitled to vote only on the matters raised at every general meeting.
74. At every general meeting :
- 74.1 each member, present in person or by proxy and entitled to vote, shall have one vote for each erf registered in his name;
- 74.2 if an erf is registered in the name of more than 1 (one) person, then all such co-owners shall jointly have only one vote;
- 74.3 during the development period, the developer shall be entitled to 3 (three) times the total number of votes of all the other members of the NPC.



75. Save as expressly provided for in this articles, no person other than a member and who shall have paid every levy and other sum (if any) which shall be due and payable to the NPC in respect of or arising out of his membership and who is not suspended, shall be entitled to be present or to vote on a question, either personally or by proxy, at any general meeting.
76. Voting at general meetings shall take place by way of a show of hands unless on or before the declaration of the result of the show of hands a poll is demanded according to law.
77. Resolutions shall be passed by simple majority vote, save with respect to amendments of these articles, as provided for in article 121 hereof.
78. If a poll is duly demanded, it shall be taken in such manner as the chairman of the meeting may direct either at once or after an interval or adjournment.
79. If any difficulty or dispute arises regarding the admission or rejection of a vote or regarding any other matter, such difficulty or dispute is to be determined by the chairman whether or not scrutineers have been appointed to count the votes and his decision shall be final and conclusive.
80. A vote cast under a proxy, power of attorney, or other authority which has been revoked shall nevertheless be valid unless :
- 80.1 written notice of the revocation is received by the NPC prior to the meeting concerned;
- 80.2 the chairman of the meeting agrees to accept written or oral notice of such revocation at the meeting.
81. No objection shall be raised to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to in cast and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
82. A declaration made in good faith by the chairman of a general meeting to the effect that, either on a show of hands or a poll, a resolution has or has not been passed (whether by a simple majority, a specific majority or unanimously) shall be final and conclusive and the resolution shall be deemed to have been so passed or not passed, as the case may be.
83. Any resolution which could be passed at a general meeting (other than a special resolution or a resolution to remove a director or auditor) may be passed without a meeting being held if one or more copies of the resolution are signed by or on behalf of all the members entitled to vote.

## **ACCOUNTING RECORDS**

84. The directors shall cause such accounting records as are prescribed by section 28 of the Companies Act to be kept. Proper accounting records shall not be deemed to be kept if there are not kept such accounting records as are

necessary fairly to present the state of affairs and business of the NPC and to explain the transactions and financial position of the trade or business of the NPC.

85. The accounting records shall be kept at the registered office of the NPC or at such other place or places as the directors think fit, and shall always be open to inspection by the directors.
86. The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounting records of the NPC or any of them shall be open to inspection by members not being directors, and no member (not being a director) shall have any right of inspecting any accounting records or documents of the NPC except as conferred by the Companies Act or authorised by the directors.
87. The directors shall from time to time, in accordance with sections 29 and 30 of the Companies Act, cause to be prepared and laid before the NPC in general meeting such financial statements as are referred to in those sections.
88. A copy of the annual financial statements which are to be laid before the NPC in annual general meeting shall, not less than 21 (twenty-one) days before the date of the meeting, be sent to every member of the NPC and the Registrar of Companies: provided that this article shall not require a copy of those documents to be sent to any person of whose address the NPC is not aware.
89. An auditor shall be appointed in accordance with Section 90 of the Companies Act.

## **SERVICE OF NOTICES**

90. Notices may be given by the NPC to any member either personally, or by sending it by post in a prepaid letter addressed to such member at his registered address or at the address (if any) within the Republic of South Africa supplied by him to the NPC for the giving of notices to him.
91. Notice of every general meeting shall be given:
  - 91.1 to every member of the NPC;
  - 91.2 to the auditors for the time being of the NPC;provided that no other person shall be entitled to receive a notice of general meetings.
92. Any notice by post, fax or e-mail shall be deemed to have been served at the time when the letter containing the same was posted, faxed or e-mailed and in proving the giving of the notice by post, fax or e-mail it shall be sufficient to prove that the letter containing the notice was properly addressed and posted, faxed or e-mailed.
93. The signature to any notice given by the NPC may be written or printed, or partly written and partly printed.

94. When a given number of days' notice or notice extending over any other period is required to be given, the days of service shall not be counted in such number of days or period.

#### **INDEMNITY**

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

#### **GENERAL**

97. Whenever they consider that the appearance of any land or building vested in a member or any signage on the land or building is such as to be unsightly or injurious to the amenities of the surrounding area or the property generally, the directors may serve notice on such member to take such steps as may be specified in the notice to eliminate such unsightly or injurious condition. Should the member fail within a reasonable time, to be specified in such notice, to comply therewith, the directors may enter upon the land or buildings concerned and take such steps as may be necessary, and recover the costs thereof from the member concerned, which costs shall be deemed to be a debt owing to the NPC.

The directors shall be obliged in giving such notice to act reasonably. In the event of any dispute, the member shall bear the onus of establishing that the directors acted unreasonably.

98. The member shall within 5 (five) years after registration of transfer commence to erect and complete a dwelling house on the erf in accordance with plans and specifications approved by the NPC.
99. Should the member fail to comply with the provisions of article 98, the developer shall be entitled to give the member 120 (one hundred and twenty) days notice in writing to commence the erection of such dwelling house and if the member fails to comply with such notice,.
100. Should the member not comply with 99 above, the member shall be obliged to pay triple the levies as determined by the NPC.
101. No member shall be entitled to subdivide or rezone any erf during the development period without prior written consent of the developer and thereafter without the prior written consent of the directors.
102. No member or other person shall be entitled to sink or use any boreholes within the township during the development period without the prior written

consent of the developer and thereafter without the prior written consent of the directors.

103. The NPC may enter into agreements with any third party for the provision of facilities and services to or for the members and may levy charges in respect of the provision thereof, or may pass on such costs direct to the members.
104. The provisions of these articles shall be binding upon all members and, insofar as they may be applicable to all persons occupying any erf by, through or under any member, whatever the nature of such occupation.
105. No member ceasing to be a member of the NPC for any reason shall (nor shall such member's, executors, curators, directors or liquidators) have any claim upon or interest in or right to the funds or any property or assets of the NPC.
106. The NPC may claim from any member or his estate any arrear levies and interest or other sums due from him to the NPC at the time of his ceasing to be a member.
107. Any person using any of the services, land or facilities of the NPC does so entirely at his own risk.
108. Before any erf is transferred, a member who has sold same shall pay to the NPC an amount equal to 1% (one *per centum*) **PLUS VAT** of the total consideration payable to him in respect of the sale of his erf to cover administration expenses of the NPC in respect of the transfer.
109. No member shall let or otherwise part with occupation of his erf without the consent of the NPC which consent shall only be withheld if the NPC is not satisfied that the provisions of the house rules have been complied with.
110. No member shall be allowed to erect or display or allow any "For Sale" signs and/or any sign boards on his/her property
111. The provisions of these articles shall be binding upon all members and, insofar as they may be applicable, to all persons occupying any erf by, through or under any member, whatever the nature of such occupation.

## **DISPUTES**

112. Any dispute arising out of or in connection with the articles must be determined in terms of articles 112 to 121 (both inclusive), except when an interdict is sought for urgent relief which may be obtained from a court of competent jurisdiction.
113. On a dispute arising, the party who wishes to have the dispute determined must notify the other party thereof. Unless the dispute is resolved amongst the parties to that dispute within fourteen (14) days of such notice, either of the parties may refer the dispute to determination in terms of articles 113 to 121 both inclusive).

114. If a party exercises his right in terms of article 112 to refer the dispute for determination, such dispute shall be referred to the following who shall in each case have a minimum of 10 (ten) years experience in their field:
- 114.1 if the dispute is primarily an accounting matter, a practising chartered accountant;
  - 114.2 if the dispute is primarily a legal matter, a practising attorney or advocate;
  - 114.3 if the dispute is primarily a matter relating to the measurement in any way of any building construction or any aspect thereof, a practising quantity surveyor;
  - 114.4 if the dispute is primarily a matter relating to any defect in any building construction, a practising engineer;
  - 114.5 if the dispute relates to any other matter, such other independent and suitably qualified person.
115. If the parties are unable to agree either on the person referred to in article 114 or on the classification of the dispute within a period of 7 (seven) days of either party having given notice to the other, proposing an appointee or alternative appointees, then the person in question shall be nominated by the President for the time being of the Law Society of the Cape of Good Hope or its successor/s.
116. Any person agreed upon and nominated as aforesaid ("the expert"), shall in all respects act as an expert and not as an arbitrator.
117. The proceedings shall be on an informal basis, it being the intention that a decision should be reached as expeditiously as possible, subject only to the due observance of the principles of justice.
118. The parties shall use their best endeavors to procure that the decision of the expert shall be given within twenty one (21) days or so soon thereafter as possible, after it has been demanded.
119. The decision of the expert shall be final and binding upon all parties and capable of being made an order of court on application by any of them.
120. The costs of and incidental to any such proceedings, including the fees of the expert, shall be in the discretion of the expert who shall be entitled to direct the allocation of the costs, and whether they shall be taxed as between party and party or as between attorney and client.
121. The provisions of articles 112 to 120 (both inclusive) constitute the irrevocable consent of the parties to any proceedings in terms thereof and none of the parties shall be entitled to withdraw there from or claim in any such proceedings that it is not bound by such provisions.
122. The provisions of article 112 to this article 122 (both inclusive) shall be deemed to be severable from the rest of these articles and shall remain binding and effective as between the parties notwithstanding that these

articles may otherwise be cancelled or declared of no force and effect for any reason.

### **AMENDMENT OF ARTICLES**

123. The provisions of these articles may only be amended, but subject always to article 26, by special resolution, which will require the approval of at least 75% (seventy five per centum) of the total number of votes of members of the NPC, given at a general meeting called specifically for such purpose.
124. The notice of such meeting shall, in addition to complying with article 63 hereof, set out in specific terms the proposed amendment of these articles.