

**The Meadows Homeowners' Association Non-Profit Company Registration  
Number 1998/024775/08**

**Memorandum of Incorporation ("MOI") approved at a Special General  
meeting held on 21 May 2022**

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## 1. Definitions

In this MOI a reference to: -

- 1.1. a singular shall include the plural and vice versa;
- 1.2. any one gender shall include a reference to the other gender and the neuter and vice versa;
- 1.3. a person shall include a reference to company, close corporation, or any other juristic entity, a charity, trust, partnership, joint venture, syndicate, any other Company of persons, executors in deceased estates, Board of Directors in insolvent estates, business rescue practitioner, a debt counsellor in debt rescue, curators and the State as the case may be;
- 1.4. words defined in the Act shall have the same definition in this MOI if such word(s) is/are not defined specifically in this MOI;
- 1.5. any statute shall be a reference to such statute and any subsequent amendment thereto as at date of registration of this MOI with the Companies and Intellectual Property Commission;
- 1.6. the headings in this MOI are for reference purposes only and shall not be taken into account in the interpretation of the clauses of the MOI;
- 1.7. The following words, expressions and abbreviations shall have the meaning hereinafter assigned to them: -

**“Alienate”** means in relation to any Erf the transfer of any rights in respect thereof and, without derogating from the generality of the foregoing, includes to alienate by way of sale, exchange, donation, deed, intestate succession, will, cession, assignment, court order, insolvency or liquidation, irrespective of whether such alienation is subject to a suspensive or resolutive condition and **“Alienation”** shall have a corresponding meaning;

**“Architectural and Aesthetical Rules”** means the Rules adopted by the Board of Directors, and ratified by Members of the HOA in a General Meeting regulating the architectural standards or design rules, and the HOA’s policies for changes and improvements to an owner’s property and which include prescripts regulating exterior aesthetic considerations of such property and which must be complied with by all owners of property in the Estate;

**"Act"** means the Companies Act, No. 71 of 2008 as amended;

**"Auditors"** means the Auditors of the Company appointed by the Members in General Meeting, from time to time, in accordance with the Act;

**"Board of Directors"** means the total number of Directors duly appointed by Members from time to time;

**"Borrowing Powers"** means the power of the Board of Directors to borrow funds on a secured and/or unsecured basis;

**"days"** means business days and is calculated by: (a) excluding the day on which the first such event occurs; (b) including the day on or by which the second event so occurs; and (c) excluding any Public Holiday, Saturday or Sunday that falls on or between the days contemplated in paragraphs (a) and (b) respectively;

**"Chairperson"** means the Chairperson of the Board of Directors of the Company;

**"CIPC"** means the Companies and Intellectual Property Commission and their offices.

**"Company"** means The Meadows Homeowners Association Non-Profit Company, to which this Memorandum of Incorporation is applicable, duly registered and incorporated according to the company laws of the Republic of South Africa with registration number 1998/024775/08 and includes the term Meadows HOA or HOA;

**"Conduct Rules"** means the Rules contained in the Governing Deeds which is adopted by the Board of Directors, and ratified by Members of the HOA at a General Meeting prescribing the conduct to be complied with by all persons and includes the guidelines contained therein;

**"Deliver"** means delivery of any notice, letter and/or other document by hand at the Members domicilium citandi et executandi or to the Member's postal address as designated by the Member in writing (and recorded in the Company's register of Members) or despatched by telefax, mobile device or e-mail to the facsimile number, mobile device number or e-mail address designated by the Member in writing to the Company from time to time and "delivery" shall have a corresponding meaning;

**"Directors"** means the Directors of the Company appointed from time to time;

**"Erf"** means any immovable property owned by a member and for which a Title Deed registered with the Registrar of Deeds recording ownership of such immovable property to that Member;

**"Governing Deeds"** means collectively the MOI, Conduct Rules, Architectural and Aesthetical Rules, as the context may require;

**"General Levy"** means such levy as determined in clause 11;

**"Local Authority"** means the Tshwane Metropolitan Municipality established in terms of the Local Government Municipal Structures Act 117 of 1998 read with Notice R6770 published in the Gauteng Extraordinary Provincial Gazette No 141 of 1 October 2000;

**"Managing Agent"** means such person as may be appointed in accordance with the provisions of this MOI as an independent contractor, to undertake the management of the affairs of the Company;

**"Member"** means a person who holds membership in and specified rights in respect of the Company as contemplated in Schedule 1 of the Act, and shall include their heirs, successors, legatees or assigns;

**"MOI"** means this Memorandum of Incorporation as the context may indicate;

**"Multiple Owners"** means multiple persons who collectively or individually or by way of any other entity is the owner of any Erf for which a Title Deed registered with the Registrar of Deeds recording ownership of such immovable property to such person or entity and includes **"Joint Owners"**;

**"ordinary resolution"** means a resolution adopted with the support of more than 50% of the voting rights exercised on a resolution at a Members meeting;

**"Public Officer"** means such person as may from time to time be appointed by the Company to attend to such matters on behalf of the Company with regard to such matters as may be necessary or required in terms of the Act;

**"Register"** means the register of Members kept in terms of the Act as contemplated in Section 1 (9) of Schedule 1 to the Act;

**"Record date"** means the date determined in clause 10.9;

**"Resident(s)"** means a person in occupation of a dwelling on an Erf on a temporary or permanent basis by agreement with and/or consent from the Member of a relevant dwelling or through his affiliation or Company with such Member; **"Resident"** means any person lawfully occupying an Erf or Unit;

**"Special Levy"** means such levy as determined in clause 11.5;

**"special resolution"** means a resolution adopted with the support of at least 75% of the voting rights exercised on a resolution of members present in person and by way of proxy who are entitled to vote at a members' meeting;

**"Vice-Chairperson"** means the Vice-Chairperson of the Board of Directors;

**"Writing"** means any written, printed, electronically mailed or document produced in any other form that produces words in a visible form and "written" shall have a corresponding meaning and includes any electronic platform which the Company may determine from time to time.

## 2. **Company Name and Status**

2.1. The Meadows Homeowners Company Non-Profit Company.

2.2. The Company shall:

2.2.1. have legal personality and be capable of suing and being sued in its own name; and

2.2.2. not operate for profit but for the benefit of the Members.

2.3. No Member or Board of Directors in his personal capacity shall have any right, title or interest to or in the funds or assets of the Company which shall vest in and be controlled by the Board of Directors in their collective capacities as such

## 3. **Company registration number and registered office**

3.1. Registration Number: 1998/024775/08;

3.2. Registered Office: 500 Jorrisen Street, Sunnyside East, Pretoria, Gauteng.

## 4. **Financial year end is the last day of February of each year.**

## 5. **Preliminary**

5.1. Neither the short nor the long standard form of Memorandum for a Non-Profit Company will apply to the Company.

5.2. If the provisions of this MOI are in any way inconsistent with the provisions of the Act, the provisions of the Act shall prevail, and this MOI shall be read and interpreted in all respects subject to the Act;

5.3. Notwithstanding the omission from this MOI of any provision to that effect, the Company may do anything which, the unalterable provisions, of the Companies Act 2008 (No. 71 of 2008), empowers a company to do, if it were so authorised by its MOI.

5.4 The annexures to this MOI are deemed to be incorporated in and form part of this MOI.

## 6. Main Objectives

The main objectives of the Company are: -

6.1. To promote, advance and to protect the collective interest of its Members within the Meadows Estate;

6.2. To manage and administer the collective interests of Members by regulating acceptable standards and conduct rules within the Estate with regard to: -

6.2.1. The safety and security of its members and their guests and invitees and their property including but not limited to the controlled access to and egress from the Meadows Estate; and

6.2.2. the Architectural Design and aesthetic appearance of improvements to immovable property including landscaping.

6.2.3. to administer and enforce the estate rules from time to time made in terms hereof;

6.2.4. to insure the Company against public liability;

6.2.5. If necessary, to enter into services agreements with the Local Authority or any other Authority or Supplier of Services.

6.2.6. Ensure compliance with all applicable municipal by-laws and including any water restrictions imposed on the HOA by the Local Authority from time to time; and

6.2.8. to do anything reasonably necessary to achieve the main objectives of the Company.

## 7. Main Business

To give effect to the objectives of the Company.

## 8. Powers of the Company

The Company shall have all the powers that a juristic entity may have in law subject to the provisions of this MOI. The Company shall further have the power to do all such acts as are necessary to accomplish the fulfilment of the foregoing objects, including, but not restricted to the powers specifically contained in this MOI.

## 9. Conditions

9.1. The special conditions that apply and the requirements additional to those prescribed in the Act for their alteration are as follows: -

9.1.1. the income and property of the Company, when-so-ever and howsoever derived, shall be applied solely towards the promotion of its Main Business and in pursuance of its Main Objectives;

9.1.2. no portion thereof shall be paid or transferred directly or indirectly, by way of dividend, bonus or otherwise howsoever, to the Members of the Company;

9.1.3. provided that nothing herein contained shall prevent the payment in good faith of reasonable remuneration to any officer, servant or management agent of the Company or to any Member thereof in return for any services actually rendered to the Company or in reimbursement of any expenditure necessarily incurred in and about the business of the Company; and

9.1.4. as payment of an amount due and payable by the Company in terms of a bona fide agreement between the Company and that person or another; and

9.1.5. as payment in respect of any legal obligation binding on the Company.

9.2. Upon its winding-up, deregistration, or dissolution, the assets of the Company remaining after the satisfaction of all its liabilities shall be given or transferred to some other Company(s) or institution(s) having objectives similar to its Main Objectives as resolved by the Members of the Company at or before its dissolution or, failing such determination, as directed by the Court, subject to the provisions of 9.3 below and the provisions of section 34 read with Schedule 19 of the Tshwane Land Use Management By-law, 2016 as approved by the Local Authority.

9.3. Upon the winding-up, deregistration or dissolution of the Company, the remaining assets will only be distributed to Company(s) or institution(s) within the Republic of South Africa, which are themselves exempt from tax.

## 10. Membership and related matters

10.1. Members of the Company shall be limited to any party who is the owner of an Erf within the Meadows Estate, so acquired pursuant to an agreement wherein the seller of immovable property in the Meadows Estate is duty bound to incorporate as a condition of sale that the purchaser upon becoming the owner shall be bound by this MOI and all rules made pursuant to this MOI.

10.2. Multiple owners of one Erf shall be deemed collectively to be one Member of the Company and shall have the rights and obligations of one Member of the Company.

10.3. Multiple owners of one Erf shall be jointly and severally liable for the due performance of any obligation which they collectively have as one Member to the Company.

10.4. In order to vote as a member *multiple owners of one Erf* shall appoint one natural person by way of a written Resolution in the case of ownership by way of a Trust, Company or Close Corporation as the case may be and in the case of joint or co-ownership of any Erf, by way of a power of attorney as the case may be. The Resolution or power of attorney, as the case may be, must be lodged with the Company at least 2 days prior to members voting. Failure to furnish such Resolution or power of attorney shall have the effect that the right of the multiple owners to vote as one Member will be suspended until such time as the required Resolution or power of attorney has been so lodged with the Company.

10.5. Upon ceasing to be a Member, such former Member shall remain liable for all of the obligations to the Company whilst he was a Member.

10.6. Members shall be bound by this MOI and to the Governing Deeds.

10.7. Each Member of the Company shall have one vote as a voting Member for each Erf the member owns.

10.8. The vote of each Member shall be equal to the vote of each other voting Member on any matter to be determined by vote of the Members.

10.9. The Record Date in the case of a Members meeting shall be determined in accordance the provisions of section 59 of the Act.

10.10. Each Member shall be liable to pay to the Company such levy, special levy, penalty levy or other amount as the Company may determine from time to time in general meeting. Any such debt which is due owing and payable and which remains unpaid shall attract interest in accordance with the provisions of the Prescribed Rate of Interest Act, 1975.

10.11. The right to vote as a member of the Company shall be suspended if the Member has a debt due, owing and payable to the Company which has been outstanding for 30 (thirty) days or more as at the Record Date.

10.12. Members against whom the Company institutes any legal proceedings to enforce the Company's rights shall be liable to pay all legal costs on an attorney-and-client scale.

## 11. Levy Payments

11.1. The board may from time to time impose a general levy upon members for the purpose of meeting all the expenses which the Company has or will incur, or which the board reasonably anticipates the Company will incur in the attainment of its objects and the pursuit of its business.

11.2. The board shall not less than 30 (thirty) calendar days prior to the end of each financial year, or so soon thereafter as is reasonably possible, prepare an estimate in reasonable detail of the amount which shall be required by the Company to meet its expenses during the following financial year. The board may include in such estimates an amount to be held in reserve to meet anticipated expenditure not of an annual nature.

11.3. The Board shall, following the preparation of the expenses as set out in 11.2 as soon as is reasonably possible, publish a notice to members indicating an estimate, in reasonable detail, of the amount which shall be required by the Company to meet the expenses during the following financial year, and shall specify separately such estimated deficiency, if any, as shall result from the preceding year. Following the Annual General Meeting the Board must adopt a delegation of authority in connection with the financial approval of any expenses which the Company may be required to incur or will incur.

11.4. The general levy is payable in equal monthly instalments due in advance on the first day of each and every month. The general levy shall be paid by debit order or such other electronic payment method as may be determined by the board from time to time.

11.5. The board may, from time to time, impose special levies upon the members in respect of all such expenses, referred to in clause 11.1 and 11.2, and may, in imposing such levies, determine the terms of payment thereof.

11.6. Any special- or other levy shall be payable in a form that the Board may direct, subject to the approval of Members in General Meeting by a mere majority.

11.7. The annual levy for the ensuing financial year or any special- or other levy to be implemented shall become due and payable after approval thereof at the Annual General Meeting or Special General Meeting as the case may be, the passing of a Board Resolution to that effect and the publication thereof as envisaged in the MOI.

11.8. Further it is specifically required that the following information must be included in the notice of the new levy publication to Owners:

11.8.1. Every Owner is obliged to pay the levy;

11.8.2. The due date for payment is the 1st of the month in advance; and

11.8.3. The rate of interest to be charged on arrear / overdue levy payments.

11.9. The rate chargeable from time to time on arrear levies is determined in accordance with clause 10.10.

11.10. Any amount due by a member by way of levy and any interest thereon shall be a debt due by that member to the Company. Notwithstanding that a member may cease to be such, the Company shall have the right to recover arrear levies and interest from that member. No levies or interest paid by a member shall under any circumstances be repayable by the Company upon that member ceasing to be a member. Any credit in respect of levies shall be reimbursed to the member when a member ceases to be a member of the Company. Further, a member on ceasing to be such, shall have no claims whatsoever on any other monies held by the Company whether obtained by way of a sale of Company assets or otherwise.

11.11. A transferee of a property shall on becoming a member be liable to pay the levy then attributable to that property following registration of such property

11.12. A member shall be liable for and shall pay all legal costs incurred by the Company in the enforcement against that member of the provisions of this memorandum and/or the rules, which cost shall be recoverable by the Company by general debt collection processes, action in any competent Court having jurisdiction or upon application to the Community Ombud Service, from the Member(s) who were Owner(s) of the Property/Properties at the time when such Resolution was passed.

11.13. A member shall not be entitled to withhold payment for any reason whatsoever or apply set off of any amount payable by that member to the Company.

11.14. In the absence of an express allocation by the Member, all payments made by a Member and received by the Company, shall be allocated firstly towards legal fees, penalty levies, interest, administration fees, current Levies and thereafter towards Levies in arrears. Notwithstanding the aforesaid, the Board reserves the right to allocate payments as they deem fit in the absence of an express allocation by the Members.

11.15. A Member shall be liable for and pay all legal costs, including costs as between attorney-and-own client, collection commission, expenses and charges incurred by the Company in obtaining the recovery of arrear Levies, penalties, interest or any other arrear amounts due and owing by such Owner to the Company or in enforcing compliance with the Act, the provisions of the MOI, or the Rules.

11.16. The obligation of a Member to pay a levy and interest shall cease upon his ceasing to be a Member without prejudice to the Company's right to recover arrear Levies, interest, penalties and other amounts due to the Company. Upon the change of Ownership of a Property, the successor in title becomes liable for the pro-rata payment of levies from the date of change of such Ownership. A Member's successor in title to a Property shall be liable for payment of special levies that are still payable in respect of the Property, for the balance of such special levies that may become due and payable as from the date upon which he becomes the registered Owner of the Property as reflected in the Deeds Registry.

11.17. No Property registered in a Member's name shall be capable of being transferred without a Clearance Certificate first being obtained from the Company, confirming that all levies, penalties, legal costs or other amounts due and interest have been paid up to and including date of registration of transfer thereof.

11.18. The Board may from time to time determine a charge to be levied against Members in arrears, as an administration charge payable to the Company or to the Managing Agent. Any administration charges so levied shall be subject to directions given by the Members in General Meeting.

11.19. The Board of Directors may impose penalties for any contravention of the Conduct Rules or Architectural Guidelines which is applicable to members from time to time.



## **12. Members acting other than at a meeting**

12.1. The Board of Directors of the Company may submit to Members entitled to vote, in writing, such resolution for consideration and such Member shall within 20 (twenty) days after receipt by Members of the resolution for consideration vote thereon in writing.

12.2. In utilising any electronic platform for voting in terms of this clause, the Board of Directors must satisfy itself that such electronic platform will ensure that the process of voting is free and fair and that such outcome may be subjected to an audit in the event of any dispute raised by a member or members.

## **13. Member's meetings**

13.1. All Members meetings conducted other than electronically shall be conducted at a location determined by the Board of Directors of the Company at the Meadows Estate or such other venue within a radius of 10 (ten) kilometres of the Meadows Estate only which shall be appointed to accommodate the reasonable number of Members who may attend.

13.2. Meetings shall be convened by the Board of Directors as is required by the Act.

13.3. The Board of Directors shall call a Members meeting of not less than 20% (twenty per centum) of the voting rights entitled to be exercised in relation to the matter proposed to be considered at the meeting, given that one or more written and signed demands for such a meeting to be convened are delivered to the Company and each demand describes the specific purpose for which the meeting is proposed and the demands are for substantially the same purpose.

13.4. If the specific purpose of the demands referred to in 13.3 above is the removal of a Director the Board of Directors shall convene the Members meeting and shall comply in all respects with Section 71 of the Act.

13.5. If the Company is unable to convene a meeting of Members because it has no Directors or because all of its Directors are incapacitated, then and in that event an available person who last held office as a Director of the Company and having resigned and who was not removed as a Director pursuant to this MOI and/or the Act shall be authorised to convene a meeting of Members.

13.6. If the meeting of Members convened by the Board of Directors, permits the participation of Members by electronic means without Members being physically present at the meeting, the venue shall have facilities to make the non-present Members capable of hearing and to be heard and see and to be seen.

13.7. The Board of Directors shall yearly convene a Special General or Annual General Meeting, as the case may be, to approve the annual budget for the following financial year.

13.8. The approval of the budget at the meeting referred to above shall not be an approval for a specific purpose per line item and the budget may be used for any other purpose as the Board of Directors may determine.

## **14. Notice of Members meeting**

14.1. The Board of Directors shall deliver notice of each Members meeting in accordance with the Act to all Members on at least 21 (twenty-one) days' notice before the meeting is to begin.

14.2. The delivery of notice to Members convening the meeting shall in a reasonably prominent statement state that members who are entitled to attend and participate in the vote at the meeting

is entitled to appoint a proxy to attend, participate in and vote at the meeting in the place of the Member and the form of proxy shall be attached to the notice. The form of proxy shall indicate that a Member nominating a proxy shall cause to be delivered to the Company at its registered office the original proxy form signed by the Member together with a copy of the identity document of the nominated proxy not less than 24 (twenty-four) hours before the scheduled time for the meeting.

14.3. A proxy appointed by a Member must be for another Member of the Company, and that member shall provide satisfactory proof of his or her identity at the meeting. Failure to provide satisfactory proof to the Chairperson presiding at such meeting shall in the Chairperson's discretion invalidate the proxy.

14.4. Proxies accepted as valid and entitled to vote at a General Meeting shall be open to inspection by Members at such General Meeting and the name and Erf number of each valid proxy shall be included as a schedule to the minutes of the meeting.

14.5. A proxy nomination shall only be valid for the meeting for which it is signed or any adjournment of such meeting.

14.6. The delivery of notice to convene a Members meeting shall be in writing as determined in this MOI.

14.7. The electronic communication employed must ordinarily enable all persons participating in that meeting to communicate reasonably effectively and the notice convening such meeting shall inform Members of the availability of participating by way of electronic communication and shall provide all necessary information to enable Members or their proxies access to the available medium or means of electronic communication.

14.8. The accidental omission to give notice of a meeting or of any resolution, or to give any other notification, or present any document required to be given or sent in terms of this MOI or the non-receipt of any such notice, notification or document by any Member or other person entitled to receive same, shall not invalidate the proceedings at or any resolution passed at any meeting.

## **15. Meeting quorum and adjournment**

The quorum necessary to decide any matter at a Members meeting shall be at least 20% (twenty per centum) of all voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda and 20% in case of an SGM to change MOI.

## **16. Member's resolutions**

16.1. For a special resolution to be approved by Members it must be supported by at least 75% (seventy-five per centum) of members present in person and by way of proxy who are entitled to vote.

16.2. For an ordinary resolution to be approved by Members it must be supported by at least 51% (fifty-one per centum) of members present in person and by way of proxy who are entitled to vote.

16.3. A special resolution shall be required, for the amendment or change of the MOI. The Conduct Rules and Architectural Guidelines may be amended by the Board of Directors from time to time subject to such amendments being adopted by the Members at the first General Meeting following such amendment. The Rules and Architectural Guidelines so adopted will become legal and binding on members following the adoption thereof by the Members by way of an ordinary resolution of a meeting of the Members.

16.4. All Members resolutions adopted shall be reduced to writing on paper and recorded in a minute book kept by the Company at its registered head office and the pages shall be consecutively numbered.

## 17. **Board of Directors and Prescribed Officers**

17.1. The Board of Directors of the Company must comprise at least 3 (Three) Directors and not more than 8 (Eight).

17.2. The current Board of Directors of the Company, which existed prior to the Company adopting this MOI shall continue to act as Directors upon adoption of the resolution approving this MOI and shall continue to so serve as Directors for the period up to and including the day of the next annual general meeting.

17.3. The Members shall vote for the appointment of Directors from such nominations as may have been received by the Company from Members in writing at least 2 (two) working days prior to the date of the Annual General Meeting, together with written consent from the proposed nominee/s.

17.4. Notwithstanding the provisions of 17.3 above the Members in meeting shall be responsible for the appointment of Directors to the Board of Directors of the Company, and for their removal and replacement, at all times in compliance with the Act.

17.5. Notwithstanding the provisions of 17.4 above the procedure for the removal of a Director as contemplated by the Act shall be available to the Company.

17.6. The Business of the Company shall be conducted by the Board of Directors, who shall be entitled to appoint the Managing Agent and such personnel as may be required from time to time.

17.7. The Board of Directors shall appoint the Chairperson and Vice-Chairperson of the Board of Directors, from time to time. The Chairperson to serve as Chairperson for a maximum of 2 (two) consecutive terms following his or her first appointment as director.

17.8. The Directors may only be appointed from Members of the Company and may serve for a period of six consecutive years. Members who have previously served as Directors on the Board, may stand for re-election. Members who have resigned as Directors undertake not to stand for re-election as Directors at the Annual General Meeting following such resignation.

17.9. The Board of Directors shall establish the following committees as and when deemed necessary:

17.9.1. Finance Committee;

17.9.2. Legal Committee;

17.9.3. Maintenance Committee;

17.9.4. Security Committee;

17.9.5. Architectural and Aesthetical Committee;

17.9.6. Communication and Social Committee;

17.9.7. IT Committee; and

17.9.8. such other committee as the Board of Directors may deem necessary from time to time.

17.10. Each committee established by the Board of Directors will be chaired by the responsible Director and may be comprised of not more than three other members who may be co-opted as a result of such person's particular skill and knowledge.

17.11. The committees established by the Board of Directors will have no executive powers and shall report to the Board of Directors on a monthly basis on committee related matters.

17.12. The committees shall determine their own procedure for meetings.

17.13. A decision that could be voted on at a meeting of the Board of Directors may instead be adopted by written consent of a majority of Directors, given in person or by electronic communication provided that each Director has received written notice of the matter to be decided.

17.14. A quorum for a Directors meeting shall be the majority of the Directors on the Board of Directors.

17.15. The Board of Directors shall in writing report to the next Members meeting to be held the authority delegated to any person and the nature of the authority so delegated.

17.16. The Board of Directors, on behalf of the Company shall be entitled to institute legal proceedings against any Member for:

17.16.1. a debt due to the Company and if necessary, the sequestration or liquidation of such Member;

17.16.2. Enforcement of the Governing Deeds; and

17.16.3. authority to institute legal proceedings for any other relief against a Member.

17.17. All Directors resolutions adopted shall be reduced to writing on paper and recorded in a minute book kept by the Company at its registered head office and the pages shall be consecutively numbered.

17.18. The borrowing powers of the Board of Directors shall be determined by Members in General Meeting from time to time.

17.19. The powers of the Board of Directors to invest on behalf of the Company shall be limited to making investments with a bank as defined in section 1 (1) of the Banks Act, 1990, save where Members in General Meeting shall otherwise direct.

17.20. The functions, powers and duties of board of directors is set out in Annexure "A".

## **18. Appointment of Company Auditor**

18.1. The Company shall at its Annual General Meeting appoint the Auditor nominated by the Board of Directors. Should the appointed Auditor for any reason no longer serve as an Auditor, the Board of Directors shall appoint a replacement Auditor effective up to and including the next Annual General Meeting.

18.2. The appointed Auditor shall have the right to attend all Members meetings and if necessary to report to such Members meetings all such matters as may be relevant to the Company as he may consider necessary.

18.3. Once at least in every year, the financial statements of the Company shall be compiled by the Auditors in accordance and in compliance with the legal requirements pertaining to the Company.

#### **19. Appointment of Company Secretary**

19.1. The Managing Agent appointed by the members at the Annual General Meeting shall perform the function of Company Secretary.

19.2. The appointed Company Secretary shall have the right to attend all Board and Members meetings and if necessary to report to such Members meetings all such matters as may be relevant to the Company as she or he may consider necessary. The Company Secretary has no vote at Members meetings in that capacity and need not be a member of the Company.

#### **20. Appointment of Public Officer**

The Board of Directors shall from such Board appoint one Director alternatively a member of management to serve as the Public Officer of the Company who shall deal with public regulation as defined by the Act.

#### **21. Governing Deeds**

21.1. The Governing Deeds may only be amended by Board of Directors following the approval or ratification of such amendments at an Annual General or Special Meeting of Members.

21.2. The Board of Directors of the Company shall consider any amendment to the Governing Deeds of the Company from time to time to ensure that such Governing Deeds best achieve the objectives of the Company and the objectives of any committee established by the Board of Directors.

#### **22. Further rights and obligations of Members**

22.1. A Member shall not be entitled to cede or assign any right or obligation she or he has in terms of this MOI or the Governing Deeds.

22.2. Members shall diligently and promptly comply with the obligations imposed upon them in terms of this MOI and observe such regulations, rules and codes of conduct as may be approved by the Members in General Meeting from time to time.

22.3. The obligations referred to in 22.2 above shall include the obligation that the Member shall ensure that their families, employees, agents, tenants, visitors, invitees, guests, customers, contractors, clients and patients, not limited thereto, comply with the obligations of the Member with regard to the codes of conduct referred to in 22.2 above.

22.4. In addition to the obligations of the Member referred to in 22.2 above and 22.3 above where the Member affords a tenant the right to occupy the Erf in whole or in part then and in that event the members shall secure from such tenant a notice in writing duly signed by that tenant confirming that they agree to be bound by all such codes of conduct as may apply to the members of the Company from time to time. The original of such notice in writing signed by the tenant shall be lodged with the Company at its registered office prior to the tenant taking occupation.

22.5. Where tenants of Erfs owned by Members have had occupation prior to this MOI being adopted the Member shall secure within 21 (twenty-one) days the original written notice referred to in 22.4 above and lodge same with the Company at its registered office.

22.6. The written notices referred to in 22.4 and 22.5 above shall incorporate a statement that such document constitutes a stipulatio alteri (benefit in favour of the Company) in favour of the Company and that it is capable of acceptance by the Company. Such stipulatio alteri shall not derogate from the liability the Member may have to the Company for the acts and of such proposed tenant.

22.7. Members shall not assume the responsibilities of the Directors, or Management of the Company. In particular Members shall not give instructions to employees, agents and contractors of the Company.

22.8. Members shall act in a manner that would best serve the objectives of the Company at all times.

22.9. Members shall on reasonable notice be entitled to request copies of minutes contained in minute books recording Member's resolutions and Director's resolutions and at their cost to make copies thereof. The Board of Directors may redact such resolutions and minutes in order to comply with the provisions of the Protection of Personal Information Act 4 of 2013. The Board of Directors must determine the cost of such copies to be paid by members in respect of such documents and shall be paid by members prior to such documents are furnished to such members requiring copies thereof.

### 23. **Dispute resolution**

23.1. In the event of any dispute between a Member and the Company as set out in clause 23.3. the parties shall attempt to resolve the dispute by way of mediation in terms of clause 23.1.1.

23.1.1. In the event the parties mediate the dispute the following rules will apply: (i) The parties will agree to the appointment of an independent person to act as mediator to the dispute. (ii) If the parties are unable to agree to the appointment of a mediator, application will be made to the Company of Arbitrators, Southern Africa (AOA), for a suitably qualified mediator to be appointed. (iii) The mediator shall endeavour to assist the parties to settle the dispute by agreement. The mediator shall not adjudicate the dispute, make any recommendations to the parties or advise any party on the merits of the dispute. (iv) The mediator shall have the discretion to conduct the mediation in such a manner as he/she determines. (v) The mediator shall be responsible for the administration of the mediation including the process and conduct of the mediation, which shall be done in an expeditious and cost-effective manner. (vi) Should the mediator be unable to mediate the matter successfully within 10 (ten) days of being appointed, the matter will be deemed to have failed mediation. (vi) The party requiring the dispute to be referred to mediation will be liable for the costs occasioned by the mediation. The mediation will be held at the Clubhouse of the Estate.

23.2. Notwithstanding anything to the contrary contained herein, this clause shall not preclude any party from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision of the arbitrator or from instituting in any court of competent jurisdiction any proceedings for an interdict or any other injunctive relief.

23.3. Subject to the provisions of clause 23.1 should any dispute arise between the parties in regard to: -

23.3.1. the interpretation of; or

23.3.2. the carrying into effect of; or

23.3.3. any of the parties' rights and obligations arising from; or

23.3.4. the rectification of, or

23.3.5. the termination of,

this MOI, then that dispute shall be submitted to and decided by arbitration.

23.4. That arbitration shall be held with only the parties and their representatives present, unless otherwise agreed in writing. It being the intention that the arbitration shall, where possible, be held and concluded in 25 (twenty-five) working days after it has been demanded.

23.5. The arbitrator shall be agreed between the parties and failing agreement within 7 (seven) days after the arbitration has been demanded, then the arbitrator shall;

23.5.1. if the matter is primarily of an accounting nature, be an independent auditor of not less than 20 (Twenty) years' standing, appointed by the President for the time being of the South African Institute of Chartered Accountants (SAICA) or The Independent Regulatory Board for Auditors (IRBA) or

23.5.2. if the matter is primarily of a legal nature or any matter which is neither primarily of an accounting or a legal nature, be a senior independent attorney of not less than 20 (Twenty) years' standing or a senior independent advocate of not less than 15 (Fifteen) years' standing appointed by the Chairperson for the time being of the Pretoria Bar Council or its successor body.

23.6. If the parties fail to agree whether the matter is primarily of an accounting, legal or other nature the matter shall be deemed to be primarily of a legal nature.

23.7. The arbitrator shall have the widest discretion and powers allowed by law to ensure the just, expeditious, economical, and final determination of all the disputes raised in the proceedings, including the matter of costs.

23.8. Without detracting from the generality of the foregoing, the arbitrator shall have the following powers:

23.8.1. to determine which party shall have the duty to provide for the services of an interpreter if required;

23.8.2. to rule on his own jurisdiction;

23.8.3. to strike out or dismiss any claim or defence on the grounds of failure of a party timeously to comply with any ruling or interim award of the arbitrator, or on the ground of delaying conduct on the part of a party so as to give rise to a substantial risk of serious prejudice to the other party or parties;

23.8.4. to proceed with the arbitration in accordance with these Rules, and make an award in the absence of or without hearing any party who is in default as provided for in these Rules, or fails to appear or to comply with any ruling or interim award of the arbitrator;

23.8.5. to make any ruling or give any direction as he considers necessary or advisable for the just, expeditious, economical and final determination of all the disputes raised in the pleadings, including the matter of costs;

23.8.6. to extend before or after their expiry, or abbreviate any time limits which may apply;

23.8.7. to permit the amendment of any pleading or other document (other than an affidavit) delivered by a party;

23.8.8. to make rulings or give interim awards of any matter of onus, admissibility of evidence, and of procedure, including rulings or awards of an interlocutory or interim nature, and rulings or interim awards relating to liability for and payment of costs and implementation of interim or final awards;

23.8.9. to receive and take into account such oral or written evidence as he deems relevant, and to make such findings of fact and law as may be required for the purposes of the proceedings and the award;

23.8.10. to express his award in such currency as may be required by the exigency of the situation; and

23.8.11. generally, to exercise such powers and duties as are allowed to him by any agreement of the parties or by the laws of the Republic of South Africa and as are required for the just, economical and expeditious conduct and conclusion of the proceedings, where these Rules are silent in any respect.

23.9. In determining the procedure for the conduct of the arbitration proceedings, and without detracting from the generality of 23.8, the arbitrator may, after hearing the parties thereon, and if he considers it appropriate for the just, economical, expeditious and final determination of the dispute, direct:

23.9.1. that the dispute should be determined summarily at an informal hearing attended by all parties;

23.9.2. the summary trial of an issue to decide whether any issue or point raised has no reasonable prospect of success and should therefore be dismissed or struck out;

23.9.3. the summary trial of an issue as to whether an interim award should be made for any sum indisputably due (whether on account of debt or damages or on any other basis);

23.9.4. that any party should furnish more particulars or details of his case on any issue;

23.9.5. that there should be discovery on oath or otherwise of documents and recordings (subject to valid legal objection) either in regard to all relevant matters or in regard to such issues as determined by the arbitrator;

23.9.6. that parties provide each other with a list of the names of witnesses to be called, and with a statement of the substance of each witness' evidence, and that, save with the leave of the arbitrator, no witness shall be called in respect of whom such name and summary has not been provided;

23.9.7. that the hearing should proceed on documents (including written submissions), only, without the presentation of other evidence; and, if the parties so agree, without the presentation of argument.

23.10. The arbitration shall be held at the Clubhouse of the HOA and shall be held in English.

23.11. The arbitrator shall apply the South African law of evidence.

23.12. The oral evidence of witnesses shall be recorded in such manner and to such extent as the parties may agree, or failing such agreement, as the arbitrator from time to time, after consultation with the parties, directs.

23.13. In the event of any agreement or directive as referred to in 23.12 at any time not being carried out, the arbitrator shall himself, in such manner as he sees fit, keep a record of the oral evidence of witnesses.



23.14 The arbitrator shall retain all pleadings and other documents delivered by all parties or submitted to the arbitrator, and all interim and final awards made by him, and all notes kept by him of oral evidence or argument which was not otherwise recorded, and of a transcript of evidence and of argument recorded otherwise than by the arbitrator and furnished to the arbitrator by the parties or any of them. Upon conclusion of the arbitration proceedings the arbitrator shall retain the above documents for a period of 60 days from the date of the award being published.

23.15. The attendance of any witness to give evidence and to produce books, documents or things to the arbitrator may be secured by invoking the provisions of any law, and the arbitrator shall render such assistance to a party as he may require to invoke such provisions.

23.16. The parties shall be entitled to have the award made an order of court of competent jurisdiction.

23.17. Any dispute regarding the administration of the HOA between persons who have a material interest in the Homeowners' Company, of which one of the parties is the Company, occupier or owner, acting individually or jointly will be determined in terms of the provisions of Community Schemes Ombud Service Act 9 of 2011.

#### **24. Liability**

24.1. The HOA, their agents, employees and appointees shall not be liable for any injury, loss or damage to any person or property arising from any cause whatsoever including without limitation thereto, the negligence of any of the above persons or the intentional acts of any agents, employees and appointees, save in circumstances where such conduct constitutes gross negligence and/or recklessness.

24.2. All entrants to the estate enter at own risk and will be liable for damages suffered by the Company occasioned by their conduct.

24.3. Whilst every effort is made to secure the estate, Company and all its agents, employees or appointees shall not be deemed to have warranted the safety of any person or property (whether movable or immovable) on the estate.

#### **25. Conduct Rules and Architectural and Aesthetical Rules**

25.1. Subject to the provisions of this MOI and to any directions given by the Company in general meeting the Board of Directors may make rules and may vary or modify the same, in connection with:

25.1.1. the nature, architectural design and position of buildings, structures, installations and equipment relating to any erf ensuring at all times that these rules comply to the conditions of the design manual;

25.1.2. the nature, content and design of the gardens relating to any erf including the establishment and maintenance of landscaping in these areas ensuring at all times that these rules comply to the conditions of the design manual;

25.1.3. the nature of the common areas adjacent to any erf including the establishment and maintenance of landscaping in these areas by the member concerned;

25.1.4. the installation, operation and maintenance of irrigation in the common areas adjacent to any erf by the member concerned;

25.1.5. the determination or control of security measures;

- 25.1.6. the control of the building operations and the conduct of builders and contractors;
  - 25.1.7. the control of the number of residents permitted on any one erf;
  - 25.1.8. the control and conduct of persons for the prevention of nuisance of any nature to any resident;
  - 25.1.9. the control and conduct of persons using the common areas;
  - 25.1.10. the keeping of pets including the right to prohibit, limit, restrict and control the keeping of pets;
  - 25.1.11. the use of roads, infrastructure, services amenities and facilities in the common areas including the right to charge a reasonable fee for the use of the amenities and facilities;
  - 25.1.12. the furtherance and promotion of any of the objects of the Company and for the better management of the affairs of the Company and for the advancement and protection of the interests of the members and residents;
  - 25.1.13. the determination, implementation, management and control of measures for the provision of security to the Company area including the right to restrict and to determine access to and egress from the Company area;
  - 25.1.14. Such reasonable conduct rule which furthers or enhances the main object of the Company;  
and
  - 25.1.13. the use of the property.
- 25.2. For the enforcement of any rules or any of the provisions of this MOI generally the Board of Directors or the manager may:
- 25.2.1. give notice to the member concerned to remedy any breach within such period as they may determine;
  - 25.2.2. take or cause to be taken such action as they deem fit to remedy the breach of which the member concerned may be guilty and debit the cost thereof, which shall be a debt due to the Company, to his levy account, and which shall be payable as part of his levy on the first day of the following month; and
  - 25.2.3. impose a fine on the member concerned which amount shall be a debt due to the Company, shall be debited to his levy account and shall be payable as part of his levy on the first day of the following month.
- 25.3. Should the Board of Directors or manager institute legal proceedings against any member or resident for the enforcement of any of the rights of the Company in terms hereof, the Company shall be entitled to recover all legal costs so incurred from the member concerned, calculated as between attorney and client, including tracing fees and collection commission.
- 25.4. In the event of any breach of the rules or of any of the provisions of this MOI by any person residing on a member's erf or his guests, employees, contractors, or agents, such breach shall be

deemed to have been committed by the member himself; but without prejudice to the foregoing, the Board of Directors or manager may take or cause to be taken such steps against the person actually committing the breach as they may in their discretion deem fit, in addition to any action which might be taken against the member concerned.

25.5. Without prejudice to any of the rights the Board of Directors or the Company may be granted under this MOI, should any member fail to pay any amount due by that Member on due date, then such Member shall pay interest thereon in accordance with the Prescribed Rate of Interest Act, 1975 calculated from the due date for payment until the actual date of payment of such amount.

25.6. Subject to any restriction imposed or direction given at a general meeting of the Company the board may, from time to time, for the attainment of the objects of the Company generally and specifically make rules in regard to the following aesthetical and architectural matters:

25.6.1. the nature, height and siting of any stand improvements;

25.6.2. the process to be followed and the fees payable to the Company for the scrutiny of any plans prior to the construction of any such stand improvements and any alterations or extensions thereto;

25.6.3. the process to be followed and the fees and deposits payable to the Company during the construction of any such stand improvements or the sale of any Erf in the Estate;

25.6.4. the landscaping and maintenance thereof by a member of that portion of the common property directly adjacent to his stand including the installation, operation and maintenance of any irrigation within such part of the common property;

25.6.5. the implementation of measures to prevent or limit damage within the common property including the right to restrict the size and/or weight of any vehicles and/ or equipment permitted to enter the Company area or any portion thereof;

25.6.6. the control of the number of persons permitted to occupy any stand;

25.6.7. the requirements to be complied with by Members when selling any Property and the conditions of such sale to be included in the Title Deed of the particular Property to be sold; and

25.6.8. such matter or matters which is reasonably necessary for the achievement of the object of the Company and

25.6.9. Such reasonable aesthetical or architectural rule which furthers or enhances the main object of the Company.

25.7. The Board of Directors may impose fines for the non-compliance with the Conduct Rules or the Architectural and Aesthetical Rules.

25.8. The Board of Directors may issue binding procedural guidelines in connection with any rules made in terms of this MOI which is not in conflict with the provisions of this MOI.

## 26. Indemnity

26.1. All the Board of Directors, managers, servants, agents or employees of the Company are indemnified by the Company 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 travelling expenses) which they may incur or become liable for by reason of any authorised contract entered into, or any authorised 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 Board of Directors shall not be liable for the acts, or omission of the Auditors or of any of the other Board of Directors whether in their capacities as Board of Directors or as Chairman or for any loss or expense sustained or incurred by the Company through the insufficiency or deficiency of any security in or upon which moneys of the Company 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 judgement 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.

26.3. The Directors shall be indemnified out of the funds of the Company against all liability incurred by him/her as director in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour, or in which s/he is acquitted.

#### 27. **Own risk**

Any person using any of the services, land or facilities of the Company does so entirely at his own risk. The Company is not liable for any conduct of any Owner, resident or any such person's children or guests entering the Estate and causing damages to any other person in or outside the Estate.

#### 28. **Managing Agent**

28.1. The Board of Directors shall be entitled to appoint a managing agent from time to time to control, manage and administer the common property and to exercise such power and duties as may be entrusted to the managing agent, including the power to collect levies and to appoint a supervisor.

28.2. The Company shall take out fidelity insurance to the satisfaction of the Board of Directors for all monies held by the Managing Agent on behalf of the Company from time to time.

#### 29. **Service of notices other than in respect to legal proceedings**

29.1. Subject to clause 29.4 a notice shall be in writing and shall be given or served by the Company upon a member by electronic mail.

29.2. The Company shall maintain a list of electronic addresses of members. It is however the members' responsibility to inform the Company of the electronic address or any change thereof to which all notices of the Company must be forwarded.

29.3. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings of the meeting.

29.4. The HOA may on good cause shown or in respect to a member who does not have access to electronic communication provide notice(s) free of charge to such member.

#### 30. **Privilege in respect of defamation**

Every Member of the Company and every Board of Directors member shall be deemed by virtue of his

membership or, as the case may be, his holding office as a Board of Directors member, to have waived as against every other member, the Board of Directors Committee, the Chairman or Vice-Chairman, every other Board of Directors member, the Auditors and everybody else engaged to perform any function or duty on behalf or for the benefit of the Company, or the Board of Directors Committee, or any sub-committee, all claims and rights of action which such Member or Board of Directors member might otherwise have had in law arising as a result of any statement, report, complaint or notice of or concerning such Member or Board of Directors member, or any reference to such member or Board of Directors member, made at any Board of Directors Committee meeting, or otherwise in the performance or exercise of any right, function, duty, power or trust, within the ambit of these presents, being a statement, report, complaint, notice or reference defamatory to such Member or Board of Directors member, or otherwise injurious to the dignity, reputation, business or financial interest of such Member or Board of Directors member, whether such statement be true or false.

### 31. Domicilium

31.1. The Board of Directors shall from time to time determine the address constituting the *domicilium citandi et executandi* of the Company, subject to the following:

31.1.1. such address shall be the address of the Chairman or of a resident Board of Directors nominated by the Board of Directors or the address of any duly appointed Managing Agent; and

31.1.2. the Board of Directors shall give notice to all Members of any change of such address;

31.2. The *domicilium citandi et executandi* of each Member shall be the street address of the Member's Erf (as the case may be).

31.3. It shall be competent to give notice by telefax or email where the telefax number or email address of the Member is recorded with the Board of Directors.

31.4. A Member who has furnished an electronic address to the Company authorises the Company to use that electronic address and to use electronic communication to give any notices, documents, records, legal process or statements which the Company is required to or wishes to serve upon the Member.

31.5. A Member may by notice in writing to the Board of Directors alter his *domicilium*, provided such new address may not be a post office box or post restante and provided such address is within the Republic of South Africa and shall not be effective until 14 (fourteen) days after receipt of such notification.

31.6. Notwithstanding anything to the contrary herein contained, a written notice or communication actually received by a Member shall be adequate written notice or communication to such Member notwithstanding that it was not sent to or delivered at his *domicilium citandi et executandi*.

31.7. Any notice to a Member:

31.7.1. sent to him by prepaid registered post in a correctly addressed envelope at his *domicilium et executandi* shall be deemed to have been received on the 7th day after posting (unless the contrary is proved); or

31.7.2. delivered by hand to a responsible person at his *domicilium citandi et executandi* shall be deemed to have been received on the day of delivery; or

31.7.3. successfully transmitted by telefax to his chosen telefax number shall be deemed to have been received on the 1st day after the date of transmission, unless the contrary is proved.

31.7.4. sent to him by electronic mail shall be deemed to have been received on the date and at the time recorded by the computer used by the Company, unless there is conclusive evidence that it was delivered on a different date or at a different time.

## **32. Commencement of this MOI**

32.1. On the filing of this MOI at the CIPC this MOI cancels and replaces the existing MOI registered at CIPC and the Deeds Office.

32.2. This MOI will take effect in accordance with the provisions of section 16(9)(b) of the Act.

32.3. It is recorded that all decisions and or actions taken under the old MOI will remain valid notwithstanding the substitution of that MOI with this MOI. Any process started under that MOI shall be completed under the terms of that MOI.

## **Annexure A**

1. Subject to the express provision of this MOI, the Board of Directors shall manage and control the business and affairs of the Company, 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 Company and do all such acts on behalf of the Company as may be exercised and done by the Company and as are not by this MOI required to be exercised or done by the Company in general meeting subject however to such regulations as may have been made by the Company in general meeting provided that no regulation made by the Company in general meeting shall invalidate any prior act of the Board of Directors which would have been valid if such regulation had not been made.

2. Save as specifically provided in this MOI, the Board of Directors shall have the right to engage on behalf of the Company the services of accountants, advocates, attorneys, auditors, architects, engineers, land surveyors, town planners or any other professional firm or person whatsoever or any employees for any reason deemed necessary by the Board of Directors on such terms as the Board of Directors shall decide.

3. The Board of Directors shall have the right to vary, cancel or modify any of their decisions and resolutions from time to time.

4. The Board of Directors shall have the right to co-opt any person or persons chosen by them. A co-opted Board of Directors shall enjoy all the rights and be subject to all the obligations of the Board of Directors provided that such co-opted Board of Directors shall only serve until the next annual general meeting.

5. The Board of Directors may, should they so decide, investigate any suspected or alleged breach by any Member or Board of Directors of this MOI in such reasonable manner as they shall decide from time to time.

6. The Board of Directors may make binding guidelines which are not inconsistent with this MOI or any rules prescribed by the Company in general meeting:

6.1. as to the resolution of disputes generally;

6.2. for the furtherance and promotion of any of the objects of the Company;

6.3. for the better management of the affairs of the Company;

6.4. for the advancement of the interests of Members;

6.5. for the conduct of Board of Directors at meetings of Board of Directors and meetings of the Company;

6.6. to levy and collect contributions from Members in accordance with clause 21;

6.7. to levy and recover from Member's 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 Company;

6.8. to assist it in administering and governing its activities generally;

6.9. to issue binding guidelines in respect of any procedural matter it deems necessary; and

6.10. to impose fines in respect of Members not complying with this MOI or any rules imposed by the Company or the Board of Directors.

7. Without in any way limiting the powers granted, the duties and powers of the Board of Directors shall further specifically include the determination of what constitutes appropriate standards for residential living, maintenance, repairs, additions to and Improvements of all Erven in the Estate in strict accordance specifically provided for in this MOI.

8. The Board of Directors shall as soon as possible inform the members of any litigation instituted against the HOA which may have a material financial impact on the HOA.

9. All correspondence between Directors in respect to matters relating to the management of the HOA is confidential and may not be distributed to other members.