

REPUBLIC OF SOUTH AFRICA

COMPANIES ACT 1973

**MEMORANDUM AND
ARTICLES OF ASSOCIATION**

**OF A COMPANY NOT HAVING A SHARE CAPITAL
NOT ADOPTING SCHEDULE 1
(Section 60(1) Regulation 18(3))**

**KALAHARI GHOLF & JAG LANDGOED
(An Association incorporated in terms of Section 21)**

Registration Number of Company

Name of Company: Kalahari Gholf & Jag Landgoed
(An Association incorporated in terms of Section 21)

(‘the Association’)

The Articles contained in Table A of Schedule 1 to the Companies Act 1973 shall not apply to the Association.

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1. DEFINITIONS

Unless it otherwise appears from the context, the following words will have the meanings assigned to them hereunder:

- 1.1 “Articles” means the memorandum and Articles of Association for the time being of the Association;
- 1.2 “Authorized representative” means a person authorized in terms of the Companies Act by a company or other body corporate to act as its representative at any general meeting;
- 1.3 “Chairman” means the Chairman for the time being of the board of trustees appointed in terms of Article 11.5 below;
- 1.4 “Common Property” means a part of the development belonging to the Association which is not subject to any exclusive right of use by a member;
- 1.5 “Companies Act” means the Companies Act No 61 of 1973 and any amendment thereto;
- 1.6 “Council” means the Municipality of Gamagara and its successors/s;
- 1.7 “Developer” means Kalahari Gholf & Jag (Pty) Ltd Registration Number 2005/007947/07 and includes its successors in title or assigns;
- 1.8 “Developer Trustee” means a Trustee appointed by the Developer;
- 1.9 “Development Area” means the land comprising the following pieces of land:
 - 1.9.1 ERF 5916 KATHU in the Gamagara Municipality, Division of Kuruman, In extent: 43,6889 (forty three comma six eight eight nine) hectares
 - 1.9.2 ERF 5917 KATHU in the Gamagara Municipality, Division of Kuruman In extent: 46,3642 (forty six comma three six four two) hectares
 - 1.9.3 ERF 5912 KATHU in the Gamagara Municipality, Division of Kuruman In extent:2,0979 (two comma zero nine seven nine) hectares
 - 1.9.4 ERF 5913 KATHU in the Gamagara Municipality, Division of Kuruman In extent: 7 503 (seven thousand five hundred and three) square metres
 - 1.9.5 ERF 5914 KATHU in the Gamagara Municipality, Division of Kuruman In extent:1,4053 (one comma four zero five three) hectares
 - 1.9.6 ERF 5915 KATHU in the Gamagara Municipality, Division of Kuruma In extent: 4 367 (four thousand three hundred and sixty seven) square metres

And the sub-divisions thereof as depicted on General Plan Numbers L G Nrs 1012/2007, 1014/2007 and 1021/2007 respectively.

to be known as Kalahari Gholf & Jag Landgoed and such adjoining land as may be acquired by the developer for the purposes of incorporation into the development;

- 1.10 “Development Period” means the period from the incorporation of the Association until all the erven within the development area have been developed and transferred by the developer; alternatively until the developer notifies the Association that it waives the rights herein conferred upon it during the development period;
- 1.11 “Erf” means an erf in the development;
- 1.12. “Facilities” means all and any facilities or amenities of whatsoever nature which may be provided within the development area;
- 1.13 “Financial year” means the financial year of the Association;
- 1.14 “Levy” means the levy or levies referred to in Articles 6.1, 6.2 and 6.5 below;
- 1.15 “Local Authority” means the local authority having jurisdiction in respect of the development area or the relevant portion thereof;
- 1.16 “Managing Agent” means the managing agent appointed by firstly the developer and thereafter the Trustees from time to time in terms of Article 13.1.1 below;
- 1.17 “Member” means a Member of the Association;
- 1.18 “Member Trustee” means a Trustee appointed by and from the Members;
- 1.19 “Memorandum” means the memorandum of association for the time being of the Association;
- 1.20 “Minutes” means the minutes of a general meeting or a trustees’ meeting, as the case may be;
- 1.21 “Person” includes a natural person, body corporate, company or an association of persons, as the case may be;
- 1.22 “Registered Owner” means a registered owner of an erf as registered in the relevant Deeds Office;
- 1.23 “Services” means such utilities, amenities and services as may be provided by or on behalf of the Association for the registered owners and residence within the development and/or the development area;
- 1.24 “Development” means the development known as Kalahari Gholf en Jag Landgoed or any further land purchased and includes such additional area/s as may be incorporated into the development;
- 1.25 “Trustees” means the trustees of the Association who shall, for the purposes of the Companies Act, be the directors of the Association;

- 1.26 “Syndicate” means a group of persons who owns property in the development;
- 1.27 “Sale of an erf” shall include a change in shareholders or members of companies and close corporations and include the sale of share(s) in an erf
- 1.28 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*;
- 1.29 any word or expression which is defined in the Companies Act and which is not otherwise defined in these Articles shall have the meaning assigned thereto in the Companies Act;
- 1.30 the head notes to the paragraphs to these Articles are inserted for reference purposes only and shall not affect the interpretation of any of the provisions to which they relate.
- 1.31 Subject to any provisions in this Articles to the contrary and notwithstanding any omission of any provision from these Articles or the memorandum, the Association may do anything which the Companies Act authorizes a company to do if so authorized by its Articles.

2. ESTABLISHMENT OF ASSOCIATION:

- 2.1 This is the Constitution of Kalahari Gholf & Jag Landgoed (“the Association”) being an Association for the Development known as Kalahari Gholf & Jag Landgoed.
- 2.2 The Association shall be deemed to be established on the date of registration of transfer of the first erf from the Developer to an Owner. This Constitution and any amendments thereto shall then become and remain binding upon the Developer and all Owners in the Development.
- 2.3 The Association shall have the capacity to acquire and own movable and immovable property, to deal therewith, dispose thereof and to acquire, grant and dispose of real rights in its own name. It may enter into contracts, acquire rights and obligations or sue or be sued in its own name.
- 2.4 The *domicilium citandi et executandi* of the Association shall be a physical address within the Gamagara Magisterial area or the address of the Managing Agent.
- 2.5 The Association may not pay out any of its funds to its Members, except to rectify errors or in terms of an order of court, or in settlement of a claim for damages.

3. MAIN OBJECT

- 3.1 The main objects of the Association shall be to:
- 3.1.1 preserve the ecological heritage and biodiversity of the Development;

- 3.1.2 ensure that the “Wildkamp” is managed to the highest standard;
- 3.1.3 preserve the water resources of the Development and its surrounds;
- 3.1.4 promote, advance and protect the interests of the Members as Owners of erven in the Development;
- 3.1.5 maintain and repair the common property and all amenities or improvements which may be erected thereon;
- 3.1.6 maintain, service and repair verges, sidewalks and all other common property within the development;
- 3.1.7 control any exterior alterations, changes of colour finishes or design of all buildings erected on erven within the development;
- 3.1.8 promote an environmental awareness among its Members.

4. **FINANCIAL YEAR END**

The financial year end of the Association is the end of February of each year.

5. **MEMBERSHIP**

- 5.1 Membership of the Association shall be compulsory for every Registered Owner of an erf in the Development.
- 5.2 Membership of the Association shall be limited to the registered Owners of erven in the Development provided that:
 - 5.2.1 the Developer shall be deemed to be a Member of the Association during the Development Period and shall be represented by one or more persons appointed by it as its representatives in writing from time to time;
 - 5.2.2 a person who is entitled to obtain a certificate of registered title to an erf shall be deemed to be the registered Owner thereof;
 - 5.2.3 where any such Owner is more than one person, all the registered Owners of that erf shall be deemed jointly and severally to be one Member of the Association and shall nominate one of them to represent them and to vote at meetings of the Association.
- 5.3 When a Member ceases to be the registered Owner of an erf, he shall *ipso facto* cease to be a Member of the Association, save for the Developer who shall remain a Member of the Association during the Development Period.
- 5.4 A Member shall not transfer an erf unless it is a condition of the alienation that:

- 5.4.1 the transferee becomes a Member of the Association;
- 5.4.2 such Member obtains the prior written consent of the Association which consent shall be given provided that:
 - 5.4.2.1 such Member has paid to the Association all levies and any other amounts of whatsoever nature or howsoever arising, owing by such Member to the Association; and
 - 5.4.2.2 the transferee agrees in writing to be bound by the Articles and the management and conduct rules of the Association,
 - 5.4.2.3 such Member has duly complied with all of the obligations of such Member in terms of these Articles;
 - 5.4.2.4 he first offers his property to the Developer who, for a period of 14 (fourteen) days calculated from the date of receipt of the offer, shall have the right to purchase the property upon the terms and conditions offered to him;
 - 5.4.2.5 in the event of the Developer failing to exercise its right to purchase the property offered to it by the prospective seller, the prospective seller shall appoint the Developer or its agent as sole agent for a period of 6 (six) months to sell his property on the same terms and conditions as contained in the offer to the Developer;
 - 5.4.2.6 should the prospective seller receive any offer for a lesser amount than the price at which it was offered to the Developer, the Developer shall have the right to purchase the property on the same terms and conditions contained in the lesser offer.
- 5.5 The registered owner of an erf may not resign as a Member of the Association.
- 5.6 The Trustees may, by regulation, provide for the issue of a Membership certificate, which certificate shall be in such form as may be prescribed by the Trustees.
- 5.7 The rights and obligations of a Member shall not be transferable and every Member shall:
 - 5.7.1 to the best of his ability further the objects and interests of the Association;
 - 5.7.2 observe all regulations made by the Association or the Trustees.
- 5.8 Corporate bodies or juristic persons which are the registered owners of erven shall nominate a natural person to represent them for all purposes related to this constitution.

6. LEVIES

- 6.1 The Trustees may from time to time, impose levies upon, and collect these from, the Members for the purpose of meeting all the expenses which the Association has incurred, or which the Trustees reasonably anticipate the Association will be put to by way of maintenance, repair, improvement and keeping in good order and condition the common property, facilities, and/or for payment of all rates and other charges payable by the Association, and/or the services rendered to it, and/or for payment of all expenses necessary or reasonably incurred in connection with the management of the Association, and the affairs of the Association. In calculating levies the Trustees shall take into account, income, if any, earned by the Association.
- 6.2 The Trustee committee shall estimate the amount which shall be required by the Association to meet the expenses during each financial year, together with such estimated deficiency (if any) as shall result from the preceding financial year, make the recommendation envisaged in Article 6.6 below and shall then impose a levy upon the Members equal as near as is reasonably practical to such estimated amount. The Trustee 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 each Member by means of equal monthly installments due in advance on the first day of each and every succeeding month of such financial year.
- 6.3 The Trustees shall not less than 30 (thirty) days prior to the end of each financial year give every Member, at the address envisaged in Article 26.1 below, a written notice of the contribution payable by that Member to such expenses and reserve fund in respect of the following year..
- 6.4 In the event of the Trustees for any reason whatsoever failing to prepare, and timeously give notice of, the estimate referred to in Article 6.2 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 6.2 above, together with any arrear levies.
- 6.5 The Trustees may from time to time impose special levies upon the Members in respect of all such expenses as are mentioned in Articles 6.1 and 6.2 above (which are not included in any estimate made in terms of these Articles) and such levies may be imposed in the sum or by such installments and at such times as the Trustees shall deem fit.
- 6.6 In calculating the levy payable by each Member, the Trustees shall make a recommendation to the Annual General Meeting, regarding the assignment of expenses to respective Members. The recommendation shall be considered by the Annual General Meeting and approved as is or with such amendments as the Meeting may decide.

- 6.7 Any amount due by any Member by way of a levy and/or as envisaged in Article 13.4 hereof shall be a debt due by that Member to the Association. The obligation of a Member to pay a levy shall cease upon that Member ceasing to be a Member of the Association, without prejudice to the Association's right to recover arrear levies and all amounts that may be owing to it in terms of Article 13.4 hereof. No levies paid by a Member shall under any circumstances be repayable by the Association 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.
- 6.8 No Member shall be entitled to any of the privileges of Membership of the Association unless and until he shall have paid every levy, subscription or other sum (if any) which is due and payable to the Association in respect of his Membership thereof.
- 6.9 The Trustees 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/or monies due to it in terms of Article 13.4 hereof. The Trustees shall further be empowered 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 Association may have in law against the Members, provided that such interest shall not exceed the rate prescribed in terms of the National Credit Act No 34 of 2005.
- 6.10 The Trustees 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 Association in lieu of levies.
- 6.11 Should any dispute arise at any time between the Members and the Trustees in regard to the determination or calculation of the levies, the decision of the Annual General Meeting in regard to such dispute shall be final and binding on the Members and the Trustees.
- 6.12 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 Trustees.
- 6.13 Each Member shall be liable for and pay all legal costs, including costs as between attorney and client, collection commission, expenses and charges incurred by the Association in obtaining the recovery of arrear levies, or any other arrear amounts due and owing by such Member to the Association, or in enforcing compliance with these Articles and/or the House Rules applicable to the Development from time to time.

7. MANAGEMENT AND CONDUCT RULES

Subject to these Articles and to any condition imposed by any Local Authority in approving the sub-division of property, the Trustees may from time to time make rules and modify or vary these for *inter alia*:

- 7.1 the preservation of the natural environment, flora and fauna on the Development, including the right to control and, if necessary, order the removal of alien vegetation;
- 7.2 the control and management of the appearance of the improvements to be erected on individual erven and the common property in order to maintain harmony between the natural environment and all improvements on the Development;
- 7.3 a Members rights of use, occupation and enjoyment of the common property;
- 7.4 the prohibition or control of fences and/or walls on individual erven;
- 7.5 the maintenance of the common property and the amenities or other improvements erected thereon;
- 7.6 the preservation of the ground water resource in the Gamagara Municipal area.

8. MEMBER'S OBLIGATION

Each Member undertakes to the Association that he shall comply with:

- 8.1 the provisions of this Constitution;
- 8.2 any regulations made in terms of Article 7 above.

9. CESSATION OF MEMBERSHIP

No Member, ceasing to be a Member of the Association for any reason shall, (nor shall any such Member's executor, curator, Trustee or liquidator) have any claim upon or interest in the funds or other property of the Association, but this clause shall be without prejudice to the rights of the Association to claim from such Member or his estate any arrears of levies or other sums due from him to the Association at the time of his so ceasing to be a Member.

10. INDEMNITY

- 10.1 All Trustees 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.
- 10.2 Every Trustee, servant, agent and employee of the Association, and the auditors, shall be indemnified by the Association against (and it shall be the duty of the Trustee out of the funds of the Association to pay) all costs, losses and expenses (including travel 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.

11. TRUSTEES

- 11.1 The Trustees of the Association shall for the development period be divided into two classes, namely Developer Trustees and Member Trustees. Upon expiry of the development period, there shall only be Member Trustees.
 - 11.2 There shall be not more than 5 (five) Trustees of the Association of whom, during the development period:
 - 11.2.1 2 (two) shall be Member Trustees appointed by the Members; and
 - 11.2.2 the remaining Trustees shall be Developer Trustees appointed by the Developer.
- After expiration of the development period, all the Trustees shall be appointed by the Members.
- 11.3 The first Trustees shall be elected at the first Annual General Meeting of the Association.
 - 11.4 A Trustee shall be a natural person and shall not necessarily be a Member of the Association. A Trustee, by accepting his appointment to office, shall be deemed to have agreed to be bound by all the provisions of these Articles.
 - 11.5 The Trustees 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 Trustee. During the development period, the Chairman shall be one of the Developer Trustees, unless the Trustees otherwise agree.

12. ALTERNATIVE TRUSTEES

- 12.1 The Trustees may appoint another person, whether or not he be the owner of an erf, as an alternate Trustee during the absence or inability of a Trustee to act.
- 12.2 An alternate Trustee shall have the same powers and duties as the existing Trustees.
- 12.3 An alternate Trustee shall cease to hold office if the Trustee whom he replaces, ceases to be a Trustee, or if the alternate's appointment is revoked by the remaining Trustees.

13. POWERS AND DUTIES OF TRUSTEES

- 13.1 Subject to any restriction imposed or direction given at a general meeting of the Members, the powers of the Trustees shall include the following:

13.1.1 to appoint for and behalf of the Association such agents and employees as they deem fit in connection with:

- (a) the control, management and administration of the Association;
- (b) the exercise and performance of any or all of the powers and duties of the Association;

13.1.2 to delegate to one or more of the Trustees such of their powers and duties as they may deem fit and at any time to revoke such delegation.

13.1.3 The Trustees may not make loans on behalf of the Association to Members or to themselves.

13.2 The Trustees shall:

13.2.1 control all future alterations, extensions or renovations to erven and/or buildings forming part of the development;

13.2.2 ensure that all future alterations, extensions or renovations to buildings in the development are carried out in accordance with plans approved by the Municipality;

13.2.3 be responsible for the maintenance and upkeep of the common property;

13.2.4 be responsible for the preservation of the fauna and flora on the Development.

13.3 The Trustees shall be responsible for collecting all amounts levied against the Members which may be required in order to give effect to Article 6.1 above, and may pay all expenses incurred in relation thereto.

13.4 In the event of the Trustees exercising their powers set out in Article 13.3 above, the Member shall be liable for and pay all legal costs, including costs as between attorney and client, collection commission, expenses and charges incurred by the Association in obtaining the recovery of such arrear levies.

14. DISQUALIFICATION OF TRUSTEES

14.1 The office of Trustees shall be vacated if the Trustee:

14.1.1 resigns his office by notice in writing to the Association;

14.1.2 is absent without permission of the Trust Committee Trustees from 3 (three) consecutive meetings of the Trust Committee provided that such 3 (three) meetings are not held within a period of 30 (thirty) days.

14.1.3 is directly or indirectly interested in any contract or proposed contract with the Association and fails to declare his interest and the nature thereof.

15. REMOVAL AND ROTATION OF TRUSTEES

15.1 Save as set out in Article 15.3 below, each Trustee, except for the Developer Trustees 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 Trustee shall be deemed to have retired from office as such but will be eligible for re-election to the board of Trustee at such meeting.

15.2 A Trustee shall be deemed to have vacated his office as such upon:

15.2.1 his having become disqualified to act as a director in terms of the provisions of the Companies Act;

15.2.2 his being removed from office as provided in section 220 of the Companies Act;

15.2.3 his estate being sequestrated, whether provisionally or finally;

15.2.4 the commission by him of any act of insolvency;

15.2.5 his conviction for any offence involving dishonesty or any other serious criminal offence;

15.2.6 his becoming of unsound mind or being found lunatic.

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

15.3 Upon any vacancy occurring in the Trustees 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 Trustees. Whilst Developer Trustees are in office, the remaining Developer Trustees shall nominate a person to fill any such vacancy in their number.

15.4 The Developer may remove and replace any Developer Trustee at any time upon written notice to the remaining Trustees.

16. PROCEEDINGS OF TRUSTEES

16.1 The Trustees may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the event of any equality of votes, the Chairman shall have a second or casting vote. The Chairman

shall at any time on the requisition of a Trustee, convene a meeting of Trustees.

- 16.2 A Trustee shall not vote in respect of any contract or proposed contract with the Association in which he is interested or any matter arising there from, and if he does so vote, his vote shall not be counted.
- 16.3 The quorum necessary for the transaction of the business of the Trustees shall be 50% (fifty percent) of the Trustees, provided that during the development period at least one Developer Trustee shall be present at all meetings of Trustees to form a quorum
- 16.4 The continuing Trustees may act notwithstanding any vacancy on their body.
- 16.5 If the Chairman is not present within 15 (fifteen) minutes after the time appointed for the holding of the meeting, and provided there is a quorum of Trustees present, the meeting shall elect a Chairman for that meeting.
- 16.6 The Trustees may delegate any of their powers to committees consisting of such Member or Members of their body as they think fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any rules that may be imposed on it by the Trustees. No decision taken by any committee shall have any effect until ratified by a meeting of the Trustees.
- 16.7 All acts done by any meeting of the Trustees or a committee of Trustees or by any person acting as a Trustee shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Trustees or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and were qualified to be a Trustee.
- 16.8 At any meeting of the Trustees, each Trustee shall have 1 (one) vote.

17. NOTICE OF GENERAL MEETINGS

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. 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 Association in general meeting, to all Members or their agents, of the Association: provided that a meeting of the Association shall, notwithstanding the fact that it is called by shorter notice than that specified in this paragraph, be deemed to have been duly called if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting who hold not less than ninety-five percent of the total voting rights of all the members of the company.

18. FIRST MEETING OF MEMBERS

- 18.1 The first meeting of Members shall be held within sixty days of the establishment of the Association, at least seven days' notice of which shall be given in writing, and which notice shall be accompanied by a copy of the agenda of such meeting and details of the items referred to in Article 18.2 below.
- 18.2 The agenda for the meeting convened in terms of Article 18.1, shall comprise at least the following:
- 18.2.1 The consideration, confirmation or variation of the insurances effected by the developer or the body corporate;
- 18.2.2 The consideration, confirmation or variation of an itemised estimate of the anticipated income and expenses of the Association for the ensuing financial year;
- 18.2.3 The consideration and approval, with or without amendment, of the financial statements relating to the management, control and administration of the common property from the date of establishment of the Association to the date of notice of the meeting referred to in Article 18.1 above;
- 18.2.4 The taking of cession of such contracts relating to the management, control and administration of the development as may have been entered into by the Developer for the continual management, control and administration of the common property and in respect of which the Developer shall be obliged to submit such contracts to the meeting;
- 18.2.5 The appointment of an auditor, or where applicable, an accounting officer;
- 18.2.6 the election of Trustees;
- 18.2.7 Determination of the *domicilium citandi et executandi* of the Association.

19. PROCEEDINGS AT GENERAL MEETINGS

- 19.1 The annual general meeting shall deal with the consideration of the annual financial statements and budget, the election of the Trustees and the appointment of an accounting officer and may deal with any other business tabled before it. All business tabled before any other general meeting shall be considered special business.
- 19.2 No business shall be transacted at any general meeting unless a quorum of Members is present both at the time when the meeting proceeds to business and when any resolution is to be passed. Save as herein otherwise provided, 10% (ten percent) of the Members present in person or by proxy shall be a quorum provided that at least 3 (three) Members are present in person at such a meeting and provided further that, during the development period, at least 1 (one) representative of the Developer is present at such meeting.
- 19.3 In within half-an-hour after the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to a day not earlier

than 7 (seven) days and not later than 21 (twenty one) days after the date of the meeting and if at such adjourned meeting a quorum is not present within half-an-hour after the time appointed for the meeting the Members present shall be a quorum.

19.4 Where a meeting has been adjourned as aforesaid the Association shall, upon a date not later than 3 (three) days after the adjournment, publish in a newspaper, circulating in the province where the registered office of the company is situated, a notice stating -

19.4.1 the date, time and place to which the meeting has been adjourned;

19.4.2 the matter before the meeting when it was adjourned; and

19.4.3 the ground for adjournment.

19.5 The Chairman shall preside as Chairman at every general meeting of the Association. Should the Chairman not be present within 15 (fifteen) minutes after the time appointed for the holding of the meeting or if he is unwilling to act as Chairman, the meeting shall elect a Chairman for purposes of that meeting.

19.6 The Chairman may, with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.

20. INSPECTION OF MINUTES

The minutes kept of every general meeting and annual general meeting of the Association, may be inspected and copied by any Member.

21. VOTES OF MEMBERS

21.1 Every Member present in person or proxy and if a Member is a body corporate, its representative, shall have one vote for each erf registered in his name or that of the body corporate. The vote of the majority shall be binding on the minority.

21.2 If an erf is registered in the name of more than 1 (one) person, such co-owners shall jointly have one vote.

21.3 The Chairman of the meeting shall have a casting vote in addition to his ordinary vote.

21.4 Save as expressly provided for in these 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 Association 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.

- 21.5 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.
- 21.6 Resolutions shall be passed by simple majority vote, save with respect to amendments of these Articles, which shall only be done as provided for Article 29 below.
- 21.7 If a poll is 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.
- 21.8 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.
- 21.9 A vote cast under a proxy, power of attorney, or other authority which has been revoked shall nevertheless be valid unless:
- 21.9.1 written notice of the revocation is received by the Association prior to the meeting concerned;
- 21.9.2 the Chairman of the meeting agrees to accept written or oral notice of such revocation at the meeting.
- 21.10 No objection shall be raised to the admissibility of any vote except at the meeting or adjourned meeting at which the vote, objected to, is cast and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
- 21.11 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.
- 21.12 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.

22. PROXIES

The instrument appointing a proxy shall be in writing under the hand of the appointer or of his agent duly authorized in writing, or, if the appointer is a body corporate, under the hand of an officer or agent authorized by the body corporate. A proxy need not be a Member of the Association. The holder of a General or Special Power of Attorney, whether he is himself a Member or not, given by a Member shall be entitled to attend meetings and to vote, if duly authorized under that Power to attend

and take part in the meetings. The instrument shall be as near as possible to the following specimen proxy:

“KALAHARI GHOLF & JAG LANDGOED HOME OWNERS’ ASSOCIATION

I,

of

being a Member of KALAHARI GHOLF EN JAG LANDGOED Home Owners’ Association, 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 Association 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>
Resolution to			
Resolution to			
Resolution to			

(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 Association or a director, Member, Trustee or partner of a Member, except for the Developer.)”

23. ACCOUNTING RECORDS

23.1 The Trustees shall cause such accounting records to be kept in accordance with generally accepted accounting principles. Proper accounting records shall not be deemed to be kept if they do not fairly represent the state of affairs and business of the Association or explain the transactions and financial position of the Association.

23.2 The accounting records shall be kept at the registered office of the Association or at such other place or places as the Trustees think fit, and shall be open for inspection by all the Members during normal office hours.

24. ANNUAL FINANCIAL STATEMENTS AND INTERIM REPORTS

24.1 The Trustees shall from time to time, cause to be prepared and laid before the Association in general meeting, an Income Statement and Balance Sheet of the Association's state of affairs as at that date.

24.2 A copy of the annual financial statements which are to be laid before the Association 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 Association.

25. ACCOUNTING OFFICER

The Trustees shall appoint an accounting officer to act for and on behalf of the Association, whose written consent to act as above shall be filed with the Trustees at such place as they may think fit.

26. NOTICES

26.1 Notices may be given by the Association 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 supplied by him to the Association for the giving of notices to him or via e-mail to the address furnished to the Association by the relevant Member for this purpose.

26.2 Notice of every general meeting shall be given in any manner authorized;

26.2.1 to every Member of the Association except, in the case of notices to be given personally or sent by post;

26.2.2 to the accounting officer for the time being of the Association.

No other person shall be entitled to receive a notice of general meetings.

26.3 Any notice by post shall be deemed to have been served at the time when the letter containing the same was posted, and in proving the giving of the notice by post, it shall be sufficient to prove that the letter containing the notice was properly addressed and posted.

26.4 The signature to any notice given by the Association may be written or printed, or partly written and partly printed.

26.5 When a given number of day's 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.

27. LEVY STABILIZATION FUND

Upon the sale of an erf or erven by any buyer in the development a levy equivalent to 1% (one per centum) of the proceeds of such re-sale shall be payable to the Home Owners' Association to cover its costs. The Association shall not issue a levy clearance certificate to the Seller until such time as payment of this levy has been secured to its satisfaction.

28. DETERMINATION OF DISPUTES BY ARBITRATION

28.1 Any dispute between the Association and a Member or between Members arising out of or in connection with or related to these Articles or the House Rules, save where an interdict or any form of urgent or other relief may be required or obtained from a Court having jurisdiction, shall be determined in terms of these Articles.

28.2 If such a dispute or complaint arises, the aggrieved party shall notify the other affected party or parties in writing and copies of such notification shall be served on the Trustees and the Managing Agents, if any and, should the dispute or complaint not be resolved within 14 days of such notice, either of the parties may demand that the dispute or complaint be referred to arbitration: Provided that, if a Member declares a dispute with the Association, it shall be sufficient notice if notification is served on the Trustees and Managing Agents, if any, and such Member will not be required to serve notice on each of the other Members.

28.3 Having regard to the nature and complexity of the dispute or complaint and to the costs which may be involved in the adjudication thereof, the parties will appoint an Arbitrator who shall be an independent and suitably experienced and qualified person as may be agreed upon between the parties to the dispute.

28.4 If the parties cannot agree as to the Arbitrator to be appointed in terms of Article 28.3 within 3 days after the arbitration has been demanded, the President of the Law Society of the Northern Cape or his or her nominee shall upon written application appoint an Arbitrator within 7 days after he or she has been required to make the appointment so that the arbitration can be held and concluded without delay.

28.5 Arbitration shall be held informally or otherwise as the Arbitrator may determine. The Arbitrator shall have the right to demand that the party demanding the arbitration furnish the Arbitrator with security for payment of the costs of the arbitration in such amount and form as the Arbitrator may determine, failing which the arbitration shall not proceed. Where possible, the arbitration shall be concluded within 21 days after the matter has been referred to arbitration in terms of Article 28.2 or security for costs has been furnished.

28.6 The Arbitrator shall make his or her award within 7 days from the date of the completion of the arbitration and shall, in making his or her award, have regard to the principles laid down in terms of these Articles. The Arbitrator may determine that the costs of the arbitration be paid by any one of the disputing parties or any of them jointly or in such shares as he or she may determine, and as he or she, in his or her discretion, may deem appropriate having regard to the outcome of the arbitration.

28.7 The decision of the Arbitrator shall be final and binding and may be made an order of the High Court upon application of any party to or affected by the

arbitration.

28.8 Notwithstanding that the Arbitration Act 42 of 1965, makes no provision for joinder of parties to an arbitration without their consent thereto, should a dispute arise between the Association and more than one Member or between a number of Members arising out of the same or substantially the same cause of action, or where substantially the same order would be sought against all the parties against whom the dispute has been declared, such parties shall be automatically joined in the arbitration by notice thereof in the original notice of dispute given in terms of Article 28.2 above.

29. AMENDMENT OF CONSTITUTION

The Members in general meeting or annual general meeting may alter or add to these Articles of Association by special resolution provided that, for purposes thereof, a quorum shall be deemed to be two-thirds of all Members; provided that no alteration or amendment shall be take effect without the written consent of the Municipality of Gamagara.
