

CONSTITUTION

OF

WELGELEGEN

MASTERS HOME OWNERS ASSOCIATION

A STATUTORY HOME OWNERS ASSOCIATION ESTABLISHED
IN TERMS OF SECTION 29 OF THE LAND USE
PLANNING ORDINANCE, 15 OF 1985 read in conjunction with the
LAND USE PLANNING BY-LAW FOR GEORGE MUNICIPALITY
2015

5 FEBRUARY 2019

INDEX


1.	DEFINITIONS	....	4
2.	INTERPRETATION	....	7
3.	RECORDAL	....	8
4.	COMMENCEMENT DATE	....	9
5.	STATUS	....	9
6.	OBJECTS	....	9
7.	MEMBERSHIP	....	11
8.	CHANGES TO DEVELOPMENT	....	11
9.	MEMBERS OBLIGATIONS	....	12
10.	IMPROVEMENTS	....	19
11.	THE ARCHITECTURAL GUIDELINES	....	21
12.	TITLE DEED CONDITIONS AND FURTHER OBLIGATIONS TO MEMBERS	....	23
13.	SERVICES: TAKEOVER / MAINTENANCE	....	24
14.	COMMUNAL AREAS AND FACILITIES	....	25
15.	LEVIES	....	25
16.	BREACH	....	27
17.	TRUSTEES	....	29
18.	FUNCTIONS, POWERS AND DUTIES OF TRUSTEES	....	31
19.	PROCEEDINGS OF TRUSTEES	....	33
20.	MANAGING AGENT	....	35
21.	GENERAL MEETINGS OF THE ASSOCIATION	....	36
22.	NOTICE OF MEETINGS	....	36
23.	PROXIES	....	37
24.	QUORUM	....	38
25.	AGENDA AT MEETINGS	....	38
26.	PROCEDURE AT MEETINGS	....	39
27.	VOTING	....	39

28.	MINUTES OF MEETINGS OF THE ASSOCIATION	....	41
29.	FINANCIAL YEAR END	....	41
30.	ACCOUNTS	....	42
31.	DEPOSIT AND INVESTMENT OF FUNDS	....	43
32.	AUDIT	....	43
33.	INDEMNITY	....	43
34.	OWN RISK	....	44
35.	IN-HOUSE DISPUTE PROCEDURE AND THE OMBUDSMAN	....	44
36.	DOMICILIUM	....	47
37.	SARS REQUIREMENTS FOR INCOME TAX EXEMPTION	....	48
38.	AMENDMENT	....	48

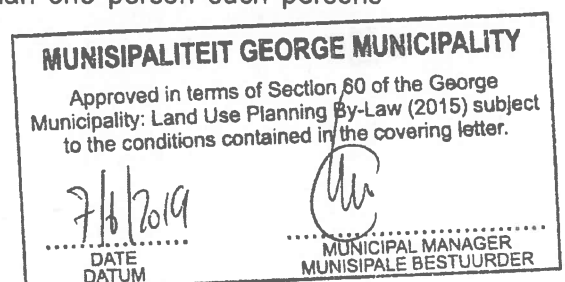
DEFINITIONS

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

- “APPLICATION TO CONDUCT BUSINESS”** means the compulsory procedure to be followed by a MEMBER to obtain permission to conduct a business on an ERF or UNIT, provided for as long as the DEVELOPER or its nominee jointly remain the owner of at least 20 (twenty) ERVEN in WELGELEGEN it will be entitled to maintain its site office.
- “ARCHITECTURAL GUIDELINES”** means the guidelines formulated to govern the structures and appearances of buildings and gardens at WELGELEGEN and includes all/any amendments made thereto from time to time.
- “ASSOCIATION”** means The MASTER'S WELGELEGEN HOME OWNERS ASSOCIATION.
- “AUDITORS”** means the auditors or accountants of the Association.
- “BUILDERS CODE OF CONDUCT”** means the code of conduct applicable to persons conducting IMPROVEMENTS and/or building activities in WELGELEGEN and includes any/all amendments made thereto from time to time.
- “CHAIRMAN”** means the CHAIRMAN of the TRUSTEES.
- “CONDUCT RULES”** means the RULES which regulate the conduct of the Members in WELGELEGEN and includes all/any amendments made thereto from time to time.
- “COMMUNAL AREAS”** means an ERF / ERVEN owned by the ASSOCIATION.
- “CONSTITUTION”** means this document as amended from time to time.


MUNICIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-law (2015) subject to the conditions contained in the covering letter.	
<i>7/6/2019</i> DATE DATUM	 MUNICIPAL MANAGER MUNISIPALE BESTUURDER

- “CONTROLLING ARCHITECT”** means the architect as appointed by the TRUSTEES.
- “DEVELOPER”** means CAPE ESTATES PROPERTIES OUTENIQUA [PROPRIETARY] LIMITED REGISTRATION NO: 1993/006590/07, a duly registered South African company or its successors-in-title.
- “DEVELOPMENT/S”** means the developments WELGELEN ESTATE, WELGELEGEN VILLAGE AND WELGELEGEN VIEWS, or one of them, with the corresponding meaning WELGELEGEN.
- “ERF”** means every ERF in WELGELEGEN which in terms of the subdivision of WELGELEGEN enjoys single and/or general residential and/or group housing and/or assisted living and/or frail care and/or business use rights.
- “ERVEN”** means every erf in WELGELEGEN collectively and includes immovable property transferred or to be transferred in accordance with the provisions hereto to the Association.
- “IMPROVEMENTS”** means any work undertaken on an ERF and/or building activities in respect of a UNIT including the erection or alteration of any structures, landscaping and planting.
- “LEVY”** means the levy referred to in clause 15 hereof.
- “LOCAL AUTHORITY”** means the George Municipality or other Local Authority from time to time or any agent or contractor appointed by the George Municipality to act on its behalf.
- “LUPO”** means the Land Use Planning Ordinance No. 15/1985 (as amended) and includes any substituted legislation including the Land Use Planning Act, 2015 and the Land Use Planning By-Law of the George Municipality.
- “MANAGING AGENT”** means any person or body appointed by the Association as an independent contractor to undertake any of the functions of the Association.
- “MEMBER”** means every registered OWNER of an ERF and a UNIT. If a MEMBER consists of more than one person such persons



shall be jointly and severally liable in solidum for all obligations in terms of this CONSTITUTION.

- “OMBUD SERVICE ACT”** means the Community Schemes Ombud Service Act, 2011 and all regulations enacted in terms thereof.
- “OPERATIONAL MANAGEMENT PLAN”** means the operational portion of the Environmental Management Plan produced for the development.
- “OWNER”** means the registered OWNER of an ERF.
- “PERSON”** means a natural person, juristic person and including a Company, Close Corporation Trust, partnership or other Association of persons qualified to own Immovable Property.
- “RESOLUTION”** means a resolution passed at an annual general meeting or any other general meeting of the Association by an ordinary majority of the total votes represented at such meeting by members present in person or by proxy.
- “SUBMISSION OF BUILDING PLANS”** means the compulsory procedures to be followed by a MEMBER for the approval of IMPROVEMENTS and includes all/any amendments made thereto from time to time.
- “SECTIONAL TITLES ACTS”** means the Sectional Titles Act, 1986 and the Sectional Titles Management Services Act, 2011 and any amendment, modification or substitution thereof from time to time.
- “TRUSTEES”** means the TRUSTEES of the ASSOCIATION appointed in terms of clause 17, and includes alternate and co-opted TRUSTEES.
- “UNIT”** means a Unit as defined in the Sectional Titles Act in the Sectional Title Scheme known as WELGELEGEN VIEWS.
- “WELGELEGEN”** means the residential portion of the development of WELGELEGEN township being erf 25544 In the Municipality Division of George, Province Western Cape, in accordance with approval obtained from the LOCAL AUTHORITY and includes all/any extension/s of the township approved by the LOCAL AUTHORITY upon application by the DEVELOPER.

MUNISIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
..... DATE DATUM	..... MUNICIPAL MANAGER MUNISIPALE BESTUURDER

which development includes WELGELEGEN ESTATE, WELGELEGEN VILLAGE and WELGELEGEN VIEWS.

“WELGELEGEN ESTATE”

means the residential portion of WELGELEGEN, excluding WELGELEGEN VILLAGE and WELGELEGEN VIEWS.

“WELGELEGEN VILLAGE”

means the residential portion of WELGELEGEN developed on certain immovable property being ERF 27857 to Erf 27883 GEORGE and ERF 25676 GEORGE to ERF 25691 GEORGE totaling 43 erven, in the Municipality & Division of George, Province Western Cape in accordance with approval obtained from the LOCAL AUTHORITY and includes all/any extension/s of the township approved by the LOCAL AUTHORITY upon application by the DEVELOPER.

“WELGELEGEN VIEWS”

means the Body Corporate of WELGELEGEN VIEWS Sectional Title Scheme, SS No. D 351/2018 developed on Erf 27854 in the Municipality and Division of George, Province of the Western Cape in accordance with approval obtained from the LOCAL AUTHORITY and includes all/any extension/s of the township approved by the LOCAL AUTHORITY upon application by the DEVELOPER.

2. INTERPRETATION

2.1 The clause headings are for convenience and shall be disregarded in construing this CONSTITUTION.

2.2 Unless the context clearly indicates a contrary intention

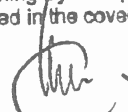
2.2.1 words importing:

2.2.1.1 the singular shall include the plural and vice versa and

2.2.1.2 any one gender shall include the other genders; and

2.2.1.3 reference to natural persons includes created entities (corporate or non-corporate) and vice versa;

2.2.2 words and expressions defined in any sub-clause shall, for the purpose of the clause to which ~~that sub-clause forms part and~~

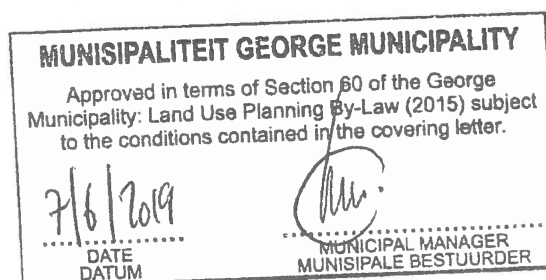
MUNICIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
DATE DATUM	MUNICIPAL MANAGER MUNISIPALE BESTUURDER

in subsequent clauses, unless inconsistent with the context, bear the meaning assigned to such words and expressions in such sub-clause;

- 2.2.3 when any number of days is prescribed in this CONSTITUTION, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or proclaimed public holiday in the Republic of South Africa, in which event the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday;
- 2.2.4 where figures are referred to in words and in numerals, if there is any conflict between the two, the words shall prevail;
- 2.2.5 if any provision of this CONSTITUTION is in conflict or inconsistent with any Law, the invalidity of any such provision shall not affect the validity of the remainder of the provisions of this CONSTITUTION;
- 2.2.6 if any provision in a definition in this CONSTITUTION is a substantive provision conferring rights or imposing obligations on any of the MEMBERS then, notwithstanding that it is only in the definition clause of this CONSTITUTION, effect shall be given to it as if it were a substantive provision in the body of this CONSTITUTION.

3. RECORDAL

- 3.1 The LOCAL AUTHORITY when approving the application for subdivision to allow for WELGELEGEN imposed a condition in terms of section 29(1) of LUPO whereby the OWNER of each subdivided portion of the immovable property comprising WELGELEGEN and all successors in title shall be members of a homeowners' association in respect of WELGELEGEN.
- 3.2 On approval of the development of WELGELEGEN VILLAGE the LOCAL AUTHORITY imposed a similar condition as per 3.1.
- 3.3 At the establishment of WELGELEGEN VIEWS in terms of the Sectional Titles Acts the Management Rules and Conduct Rules of the Regulations of the Acts as amended by the DEVELOPER, governs the management and conduct that concerns only the owners of WELGELEGEN VIEWS.



- 3.4 By reason of the integrated nature of the Developments, for example as far as shared services and infrastructure and various other co-responsibilities between the Developments are concerned, this Master Homeowners ASSOCIATION Constitution will govern WELGELEGEN in its entirety and will govern the shared operations of the Developments.
- 3.5 This document constitutes the third Constitution (previously 2006 and 2009 versions) of the Master Home Owners ASSOCIATION of the Developments, regulating and controlling harmonious development of WELGELEGEN.

4. COMMENCEMENT DATE

The ASSOCIATION as contemplated in terms of section 29 of LUPO came into existence simultaneously with the first registration of transfer of an ERF in the WELEGELEGEN ESTATE from the DEVELOPER to an OWNER and as Master Homeowners ASSOCIATION on approval by the MEMBERS of the ASSOCIATION.


5. STATUS

- 5.1 The ASSOCIATION shall
- 5.1.1 have legal personality and be capable of suing and being sued in its own name; and
- 5.1.2 not operate for profit but for the benefit of the MEMBERS.
- 5.2 No MEMBER in his personal capacity shall have any right, title or interest to or in the funds or assets of the ASSOCIATION which shall vest in and be controlled by the TRUSTEES.

6. OBJECTS

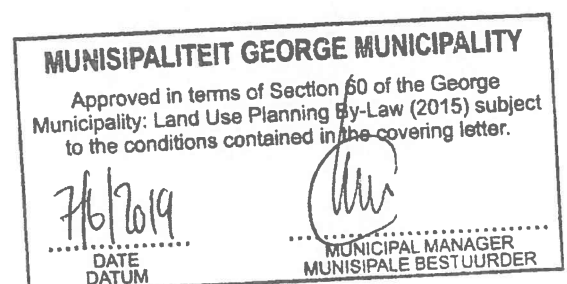
The objective of the ASSOCIATION is the management of the collective interest of all Members of the ASSOCIATION, which shall include the collection of levies for which the Members are liable for and the expenditure applicable to its assets and Communal Areas. In pursuit of this objective the ASSOCIATION shall:

- 6.1 Pursue the matters referred to in LUPO and without detracting from the generality thereof to ensure compliance with the conditions for

MUNISIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
DATE DATUM	MUNICIPAL MANAGER MUNISIPALE BESTUURDER

subdivisions imposed by the LOCAL AUTHORITY when approving WELGELEGEN and more specifically

- 6.1.1 to oversee, maintain and control WELGELEGEN;
 - 6.1.2 ensure the general high standard of WELGELEGEN;
 - 6.1.3 generally to promote, advance and protect WELGELEGEN and the interests of all the Members of the ASSOCIATION;
 - 6.1.4 apply all necessary security measures.
- 6.2 The regulation and control of harmonious development of WELGELEGEN and;
 - 6.3 To promote a high standard of IMPROVEMENTS on WELGELEGEN; and
 - 6.4 To administer and enforce the CONDUCT RULES, BUILDERS CODE OF CONDUCT, SUBMISSION OF BUILDING PLANS, ARCHITECTURAL GUIDELINES and APPLICATION TO CONDUCT BUSINESS
 - 6.5 To control the transfer of ERVEN in WELGELEGEN and the conditions imposed by the LOCAL AUTHORITY and conditions imposed by the DEVELOPER in the Agreement of Sale between the DEVELOPER and the first OWNER of the ERF.
 - 6.6 To promote environmental awareness responsibility amongst MEMBERS and to administer the relevant aspects of both the DEVELOPMENT and OPERATIONAL MANAGEMENT PLANS.
 - 6.7 Promote good governance as envisaged by the Ombud Service Act.
 - 6.8 Be responsible for the maintenance and repair of the Communal areas, including, but not limited to the natural environment, roads, street lighting, landscaping, stormwater management, boundary fence, entrance gates, access, control system, buildings, administration of the Communal Areas.
 - 6.9 The ASSOCIATION shall have the power to do all such acts as are necessary to accomplish the fulfillment of the foregoing objects including, but not restricted, to powers specifically contained in this CONSTITUTION.



7. MEMBERSHIP

7.1 The ASSOCIATION shall have as its MEMBERS

- 7.1.1 the DEVELOPER for as long as the DEVELOPER remains an owner of any portion of WELGELEGEN, specifically including any ERF;
- 7.1.2 every OWNER upon registration of transfer of an ERF or UNIT into his name provided that where an OWNER comprises more than one person, such persons shall be deemed jointly to be one MEMBER of the ASSOCIATION and shall be responsible jointly and severally for the obligations of such membership;

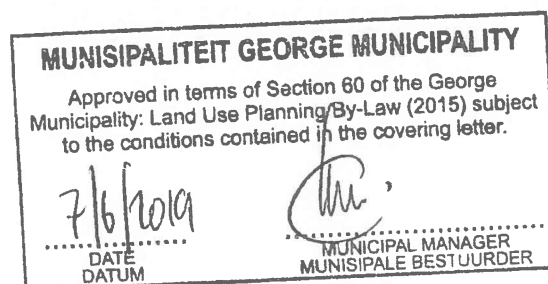
provided that:

- 7.1.2.1 where a property is owned by more than one person all the registered owners of that property shall collectively be deemed for the purposes of the ASSOCIATION to be one member and the person whose name appears first in the Title Deed of such property shall be considered to be the member;
- 7.1.2.2 where a property or properties are owned by a legal person who is not a natural person the legal person shall nominate a natural person or persons who shall be deemed to be the member;
- 7.1.2.3 when a member ceases to be the registered owner of a property he shall *ipso facto* cease to be a member of the ASSOCIATION.
- 7.1.2.4 For the purpose of levy allocation only, as provided in sub-clause 15 hereunder, a distinction shall be made between "members" comprising owners of single residential erven and owners of Sectional Title Units, respectively.

- 7.2 An OWNER of an ERF shall be a member of the ASSOCIATION until he ceases to be the registered owner of such ERF or UNIT.

8. CHANGES TO DEVELOPMENT

- 8.1 Subject to clause 8.2, the DEVELOPER shall for as long as the DEVELOPER or its nominee jointly remain the registered owner of at



least 20 (twenty) ERVEN in WELGELEGEN be entitled to apply to the appropriate authorities to:

- 8.1.1 change the zoning of an ERF or ERVEN;
- 8.1.2 change the boundaries of an ERF or ERVEN by consolidating and/or subdividing such ERF or ERVEN; and
- 8.1.3 register the changes in accordance with clause 8.1.1 and 8.1.2 appropriately with the appropriate authorities to the extent that the changes are approved,

provided that all cost and expense of an application in terms of this clause will be born and paid for by the DEVELOPER or its nominee, as the case may be.

8.2 An application in accordance with clause 8.1 may only be made by the DEVELOPER or its nominee if approved at a general meeting of the ASSOCIATION, provided that any changes that:

- 8.2.1 impact on COMMUNAL AREAS; and
- 8.2.2 change the zoning of an ERF or ERVEN to any zoning other than a residential zoning;

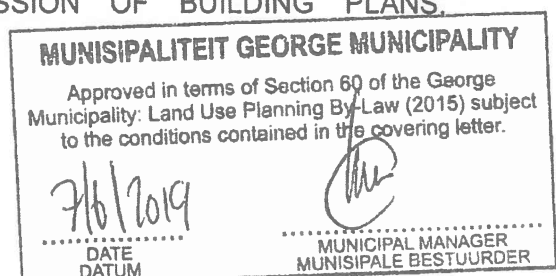
shall only be made if approved by at least 67% (sixty-seven per centum) of the total number of votes of MEMBERS of the ASSOCIATION given at a general meeting.

8.3 The ASSOCIATION may, if so authorised by at least 67% (sixty-seven per centum) of the total number of votes of MEMBERS of the ASSOCIATION, apply to the appropriate authorities to change the boundaries or zoning of COMMUNAL AREAS and to the extent that changes are approved, register such changes with the appropriate authorities.

9. MEMBERS OBLIGATIONS

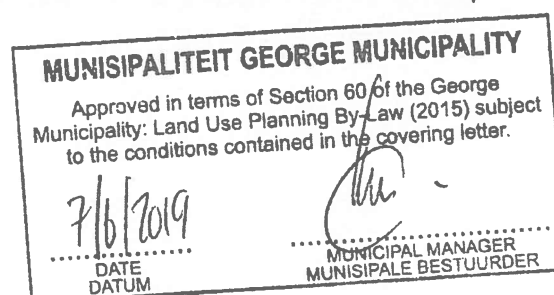
9.1 Every MEMBER is obliged to comply with:

- 9.1.1 the provisions of this CONSTITUTION;
- 9.1.2 the provisions of the CONDUCT RULES, BUILDERS CODE OF CONDUCT, SUBMISSION OF BUILDING PLANS.

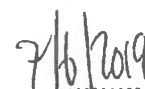
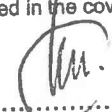


ARCHITECTURAL GUIDELINES and APPLICATION TO CONDUCT BUSINESS;

- 9.1.3 any agreement concluded by the ASSOCIATION insofar as such agreement may directly or indirectly impose obligations on a MEMBER;
- 9.1.4 any directive given by the ASSOCIATION and/or the TRUSTEES in enforcing the provisions of this CONSTITUTION, CONDUCT RULES, BUILDERS CODE OF CONDUCT, SUBMISSION OF BUILDING PLANS, ARCHITECTURAL GUIDELINES and APPLICATION TO CONDUCT BUSINESS.
- 9.2 The rights and obligations of a MEMBER are not transferable, and every MEMBER shall:
- 9.2.1 to the best of his ability, further the objects and interests of the ASSOCIATION.
- 9.2.2 observe all directives made or given by the ASSOCIATION and/or the TRUSTEES.
- 9.3 The MEMBERS shall be jointly liable for expenditure incurred in connection with the ASSOCIATION referred to in this CONSTITUTION.
- 9.4 A MEMBER shall not be entitled prior to registration of transfer into his name to ALIENATE or transfer an ERF or UNIT without the written consent of the DEVELOPER for as long as the DEVELOPER is a MEMBER and thereafter, by the TRUSTEES which consent shall not be unreasonably withheld provided there has been compliance with the provisions of this CONSTITUTION until all Erven and/or Units in the Development and further phases available for sale have been transferred out of the name of the Seller.
- 9.5 A MEMBER shall not consolidate an ERF or UNIT with one or more ERVEN or UNITS without the written consent of the TRUSTEES which shall not be unreasonably withheld and subject to that the levies and votes will not be reduced.
- 9.6 A MEMBER shall not ALIENATE an ERF or UNIT unless
- 9.6.1 the proposed transferee has irrevocably bound himself in writing to become a member of the ASSOCIATION and to observe the CONSTITUTION for the duration of his ownership of the ERF;

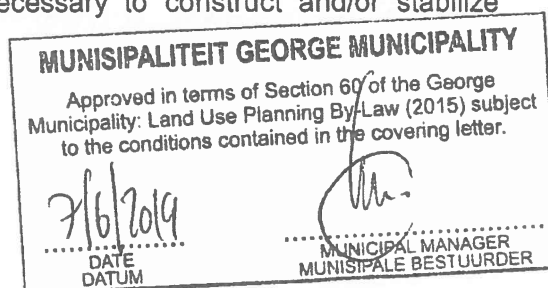


- 9.6.2 The ASSOCIATION has issued a clearance that all amounts owing to the ASSOCIATION by such MEMBER have been paid and that the MEMBER is not in breach of any of the provisions of this CONSTITUTION;
- 9.6.3 the proposed transferee acknowledges in writing that upon the registration of transfer of the ERF or UNIT into his name, he shall ipso facto become a MEMBER of the ASSOCIATION.
- 9.7 No MEMBER shall let or otherwise part with the occupation of his ERF or UNIT whether temporarily or otherwise unless the proposed occupier has agreed in writing to be bound by the relevant provisions of this CONSTITUTION and all rules and regulations applicable to WELGELEGEN.
- 9.8 A MEMBER may not resign from the ASSOCIATION.
- 9.9 Each MEMBER shall
- 9.9.1 maintain his ERF or UNIT and all IMPROVEMENTS in a neat and tidy condition and in a state of good repair;
- 9.9.2 in respect of his ERF or UNIT establish and maintain a garden to a standard acceptable to the TRUSTEES and in compliance with the ARCHITECTURAL GUIDELINES and the Water Demand Management Plan where applicable;
- 9.9.3 not park any commercial type vehicle, boat, caravan, trailer or any vehicle not in good working order, or any vehicle parked on any road, pavement, parking area or parkland in WELGELEGEN and such vehicle/boat/ caravan/trailer shall be parked on the MEMBER's ERF so as not to be visible from a street or private open space. Any such vehicle/boat/caravan/trailer parked for a period longer than two weeks without prior consent from the HOA will incur fines as stipulated in the fine structure. Vehicles parked on a MEMBER's ERF may not exceed the number of approved garages for the MEMBER's ERF and may not be parked on the lawn or on HOA property.
- 9.9.4 not do or suffer to be done on any ERF or UNIT anything which in the opinion of the TRUSTEES, is noisome, unsightly, injurious, objectionable or detrimental or a public or private nuisance or a source of damage or disturbance to any

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

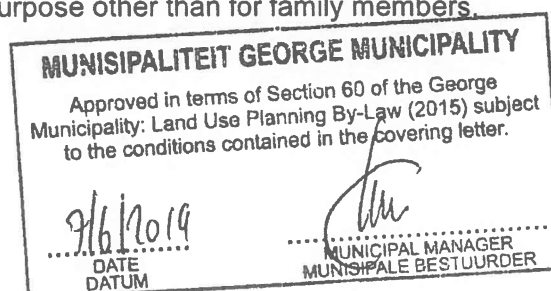
MEMBER, tenant or occupier of any ERF or UNIT in WELGELEGEN.

- 9.9.5 not erect or permit the erection of any advertising boards on any ERF without the written approval of the TRUSTEES.
- 9.9.6 not erect or permit the erection of any "For Sale" signs on any ERF without the written approval of the TRUSTEES and/or Estate Manager, which can only be erected at times stipulated in the CONDUCT RULES;
- 9.9.7 ensure that animals or birds housed on his ERF or UNIT shall not constitute a disturbance or nuisance to MEMBERS or their tenants or occupiers and the TRUSTEES shall in their absolute discretion, be entitled to require the permanent removal from WELGELEGEN of any animals or birds which, in the opinion of the TRUSTEES, constitute a disturbance or nuisance.
- 9.9.8 comply with all security procedures implemented from time to time;
- 9.9.9 ensure that his dog is kept on a leash in all road reserves, parkland and open areas within WELGELEGEN and is properly controlled and, in particular, that no nuisance is caused by such dog and that the dog does not cause uncleared fouling of sidewalks within WELGELEGEN or on open spaces within WELGELEGEN.
- 9.9.10 ensure that he and his invitees do not damage or destroy trees, vegetation and landscaping on open areas of WELGELEGEN and the strip along the edges of the dams and that planting on his ERF does not interfere with pedestrian traffic or obscure the vision of motorists;
- 9.9.11 ensure that, if his ERF has a dam or stream boundary, the eco-belt vegetation and the slope of the ground underneath is not altered and is maintained in a healthy state as this is essential for the stability of the dam and stream banks.
- 9.9.12 ensure that, if the dam or stream forms part of his ERF, this area is maintained in a natural, healthy state; that no filling, landscaping or unauthorized planting takes place;
- 9.9.13 the ASSOCIATION is afforded full access at all times to do all things reasonably necessary to construct and/or stabilize



and/or maintain the dam or stream edges and, if applicable, the communal boardwalk/s abutting the MEMBER's ERF.

- 9.10 No MEMBER shall apply for the subdivision or rezoning of his ERF or UNIT with a view to procuring a variation or amendment or substitution of use rights subject to the provision of clause 8 above.
- 9.11 No MEMBER shall conduct any business on an ERF having single residential use rights or from a UNIT or use such ERF or a UNIT for purposes other than those for which it is zoned unless he has applied in writing in accordance with the APPLICATION TO CONDUCT BUSINESS to the TRUSTEES, and the TRUSTEES have, in writing, approved the use to which the ERF or UNIT (as applicable) is to be put; and the LOCAL AUTHORITY has, to the extent that it may be necessary, granted approval authorizing such use in terms of applicable laws and regulations. The TRUSTEES shall be entitled to refuse such application or to approve the application unconditionally or to approve the application subject to the conditions.
- 9.12 Should any MEMBER to whom permission has been granted for the conduct of a business change any aspect of such business then such MEMBER shall submit a fresh application in accordance with the provisions hereof to continue such business.
- 9.13 No MEMBER to whom approval has been granted for the conduct of a business shall be entitled to erect any sign or advertisement on his ERF or on any of the common areas in WELGELEGEN in connection with such business.
- 9.14 No MEMBER shall permit the number of occupants of his ERF or UNIT to exceed 2 (two) persons per bedroom. The word "occupants" shall include but shall not be limited to any person who resides or stays on such ERF or in such UNIT on a regular or occasional basis irrespective of whether such person is related to or is financially dependent upon the OWNER or whether such person pays rental or gives any other form of consideration in respect of such ERF or UNIT or any portion thereof.
- 9.15 No MEMBER shall be permitted to conduct a guesthouse, "bed-and-breakfast" establishment or any other form of tourist accommodation facility from a residence situated on any ERF or any UNIT without the written approval of the TRUSTEES and the necessary approvals from the Local Authority (if required). The Trustees may grant or refuse proposals on a case to case basis. This includes the use of a granny flat which cannot be used for any purpose other than for family members.



9.16 WATER DEMAND MANAGEMENT PLAN

Each member and the ASSOCIATION shall be obliged to develop a Water Demand Management Plan which focuses on the hereinafter mentioned three main areas with the main purpose of minimizing water usage within the estates:

9.16.1 INTRODUCTION

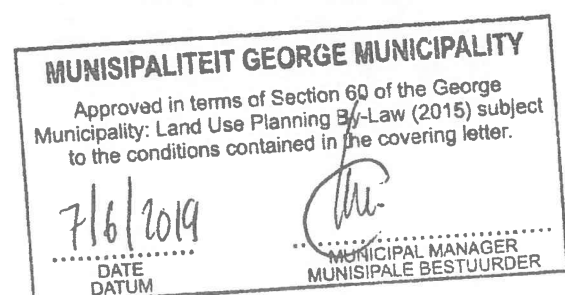
Each Member and the ASSOCIATION must develop and implement a water demand management plan for the activity, with the aim of minimising water use within the proposed development. The Plan is required to incorporate the George Municipality water demand management strategy, as amended from time to time as well as to address the inter alia:

- Guidelines for water saving measures at the service level and at the residential level.
- The design and installation of water saving measures, devices; and landscaping and agricultural design.
- Timeframes for the implementation plan.

The George water demand management strategy promotes: the use of rain collected water, water efficient fittings, user information, water recycling and leakage repair. The report provides enforceable conditions for water use management at WELEGELEGEN ESTATE that are based on the George Municipality water demand strategy. These conditions are incorporated into the ARCHITECTURAL GUIDELINES as well as in this CONSTITUTION and the CONDUCT RULES. The Report also provides non-enforceable suggestions that will be promoted and encouraged by the WELGELEGEN Home Owners ASSOCIATION by incorporating them in the CONDUCT RULES. Implementation of this water demand management plan is the responsibility of the architectural team, estate management, the residential contractors and the home owners.

9.16.2 ENFORCED WATER SAVING MEASURES AT RESIDENTIAL LEVEL

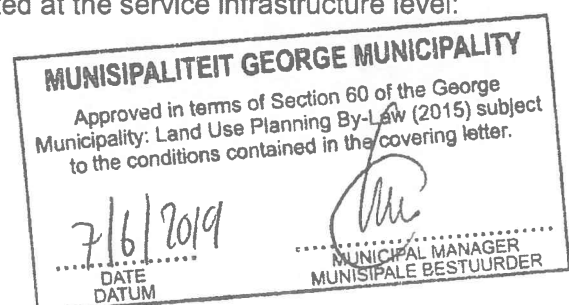
The following measures *must* be implemented at the residential construction level:



- 9.16.2.1. All toilets installed need to have dual flushing (water saver) options.
- 9.16.2.2. All hot water pipes must be insulated in order to avoid wasting water while waiting for the water to heat up.
- 9.16.2.3. All showerheads installed must be ultra-low-flow version.
- 9.16.2.4. All irrigation systems are required to have low-flow sprinkler heads, efficient system design and layout in order to maximize efficiency while reducing the volume of water used.
- 9.16.2.5. All irrigation system timers need to be set for the correct time required to efficiently water the garden without spraying water for unnecessary additional time.
- 9.16.2.6. All water used to irrigate gardens must be obtained from the water that is collected in the mandatory rain water tanks.
- 9.16.2.7. Watering during the day results in high levels of evaporation. Irrigation/ watering of gardens is only permitted during the following times in order to prevent water loss through evaporation:
- 9.16.2.8. Summer (September till March) 18:00 – 06:00
- 9.16.2.9. Winter (April till August) 17:00 – 07:00
- 9.16.2.10. Swimming pools utilise large volumes of water and have high rates of evaporation. The use of swimming pool covers will be required for all pool owners. Covers are required to be used whenever the pool is not in use.
- 9.16.2.11. 80% of plants included in the garden need to be locally indigenous. The ASSOCIATION will have the right to instruct a homeowner to remove non-indigenous plants in the case of excessive water use for irrigation. Home owners must be encouraged to grow indigenous gardens which do not have to be irrigated.

9.16.3 ENFORCED WATER SAVING MEASURES AT SERVICE INFRASTRUCTURE LEVEL

The following measures *must* be implemented at the service infrastructure level:



- 9.16.3.1. All individual homes as well as estate buildings must be equipped with rainwater collection tanks. The outdoor water connection points should be supplied through rainwater wherever possible. This water can be used for washing of cars and is the only water permitted for the watering of gardens.
- 9.16.3.2. Water budgeting must be done during the design process as it is essential to develop a water budget and commission the water distribution system as part of the overall building commissioning process.
- 9.16.3.3. Metering of all individual residences must be installed. With un-metered service leaks go undetected, there is no accountability and no incentive to save.
- 9.16.3.4. Water conservation reminders must be sent to all residences on a monthly basis for the first 6 months, and a water conservation information notice board must be constructed in a place that is visible and accessible to all residences.

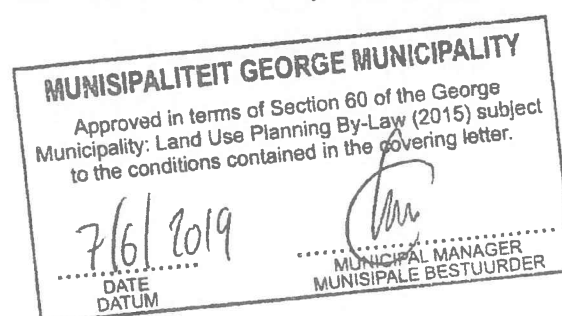
9.16.4 TIME FRAMES FOR IMPLEMENTATION

The technical specifications during the construction phase, have already been considered as part of the design. Home Owners on taking transfer of each of the particular erven will receive the requirements in terms of water demand management. Home owners will be responsible to ensure that the relevant requirements are implemented into their planning phase. The TRUSTEES, or its duly authorized representative will, when reviewing plans, ensure that water demand is sufficiently addressed.

10. IMPROVEMENTS

10.1 MEMBERS shall not

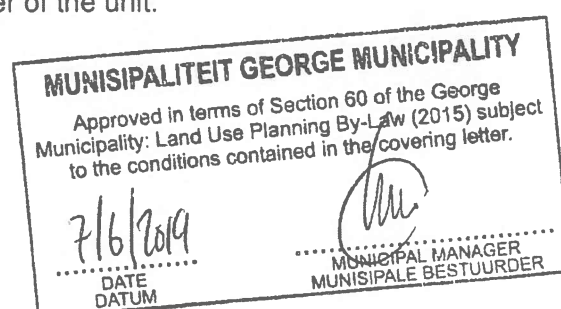
- 10.1.1 be entitled to deviate from any plan approved by the controlling architect, TRUSTEES, or its authorized representative;
- 10.1.2 submit plans in respect of IMPROVEMENTS to the LOCAL AUTHORITY unless such plans have been approved of by the controlling architect, TRUSTEES or its duly authorized representative;



- 10.1.3 be entitled to challenge or contest any of the provisions the broad concepts of the ARCHITECTURAL GUIDELINES;
- 10.1.4 have any claim of whatsoever nature against the controlling architect, TRUSTEES or its duly authorized representative, and/or the ASSOCIATION, arising from any refusal of approval of plans and/or conditional approval and, in that regard, the discretion of the controlling architect, TRUSTEES or its duly authorized representative is absolute;
- 10.1.5 breach any restrictions applicable to the MEMBER's ERF and coverage, floor area, height and building line restrictions applicable to IMPROVEMENTS on such ERF.

10.2 GENERAL PROVISIONS

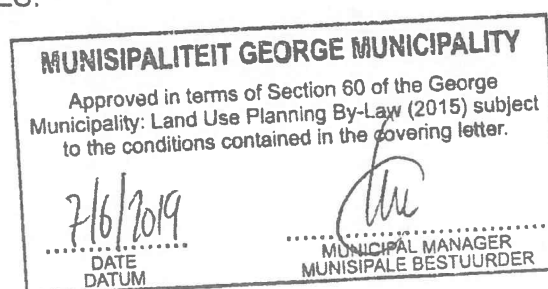
- 10.2.1 no building plan shall be approved on any ERF by the LOCAL AUTHORITY without the prior written approval of the ASSOCIATION, and further subject to the Standard and/or Municipal Building Regulations that may be applicable from time to time.
- 10.2.2 no additions and or alterations to units shall be permitted without the prior written approval of the ASSOCIATION, and further subject to the standard and/or Municipal Building Regulations enforced from time to time.
- 10.2.3 no demolition or removal of any feature which constituted an original portion of the scheme shall be permitted without prior written approval of the ASSOCIATION, and further subject to the standard and/or Municipal Building Regulations that may be enforced from time to time.
- 10.2.4 should it be necessary to rebuild any unit in its entirety such rebuilding shall be in accordance with the building plan of the unit originally approved.
- 10.2.5 any communal portion of a supporting wall, roof, pipe, gutter, fencing or other structure or object on such unit shall be maintained by the owner of the unit.
- 10.2.6 each portion of such supporting wall, roof, pipe, gutter, fencing or other structure or object on such unit shall likewise be maintained by the owner of the unit.



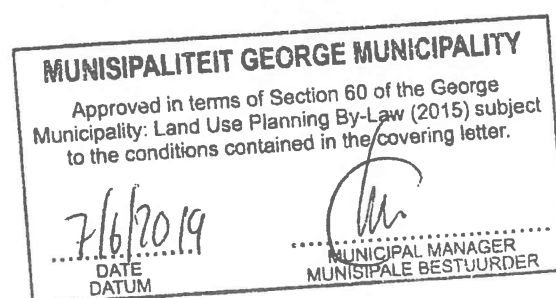
- 10.2.7 access to such unit shall be allowed for the purpose of maintenance, cleaning, renovations, repair, renewal, alterations of and in addition to such wall, roof, pipe, gutter, fencing or other structure or object and nothing shall be done which may prevent access to or hinder such access.
- 10.2.8 should the ASSOCIATION resolve to approve any such alterations and or additions, they shall be of such a nature as to be applicable to all unit owners and all unit owners shall be permitted without exception to affect similar alterations and additions.
- 10.2.9 a plan shall be provided showing the proposed location of the alterations and/or additions in relation to all units within the direct vicinity of the unit. (This does not imply that all unit owners should necessarily also affect such additions and alterations. The said plan is required only to enable and evaluation to be made of the total effect of a proposal on the aesthetic appearance of the scheme).
- 10.2.10 should it be proposed to alter the colour scheme of the complex an indication must be given of the period in which the scheme in its totality of colour scheme will be altered and such period shall not be later than one year from the date of commencement of the alteration of the colour scheme.
- 10.3 Should the TRUSTEES take steps against a MEMBER pursuant to a breach of this clause 10, the TRUSTEES shall further be entitled to recover from such MEMBER who shall be liable to the ASSOCIATION for payment of all the ASSOCIATION'S legal costs incurred on the scale as between attorney and own client.

11. THE ARCHITECTURAL GUIDELINES

- 11.1 The broad concepts of the ARCHITECTURAL GUIDELINES constitute an integral part of this CONSTITUTION and may not be changed. Minor amendments may be made from time to time by the TRUSTEES.
- 11.2 What constitutes "broad concepts" and "minor amendments" are in the absolute discretion of the TRUSTEES.
- 11.3 All IMPROVEMENTS shall comply with the provisions of the ARCHITECTURAL GUIDELINES.



- 11.4 No construction, erection or implementation of IMPROVEMENTS on an ERF may commence prior to the approval of plans for such IMPROVEMENTS and, in this regard
- 11.4.1 a full set of proposed plans prepared in accordance with the ARCHITECTURAL GUIDELINES shall be submitted to the controlling architect, TRUSTEES or their duly authorized representative, who shall be the sole judge as to whether the plans and specifications conform to the ARCHITECTURAL GUIDELINES and its decision shall be final and binding upon the MEMBER
- 11.4.2 the controlling architect, TRUSTEES or their duly authorized representative, shall be entitled to withhold approval subject to compliance with such modifications or amendments as the TRUSTEES or their duly authorized representative propose to the plans submitted and/or such other conditions as may reasonably be imposed;
- 11.4.3 the MEMBER shall be liable for all costs in respect of the scrutiny and consideration of plans submitted by the MEMBER to the controlling architect, TRUSTEES or their duly authorized representative;
- 11.4.4 thereafter, the approved building plans shall be submitted to the LOCAL AUTHORITY for approval;
- 11.4.5 having obtained the approval of the LOCAL AUTHORITY, the MEMBER shall comply with all conditions and standards imposed by the LOCAL AUTHORITY insofar as these may be additional to the requirements of the ARCHITECTURAL GUIDELINES read with the plans.
- 11.5 Any plans, notwithstanding approval by the LOCAL AUTHORITY, which have not been prepared and/or submitted and/or approved in compliance with the above, shall be invalid.
- 11.6 Notwithstanding the provisions of clause 36.7, if a MEMBER fails to comply with any obligation contained in clauses 10 and clause 11, the TRUSTEES or their duly authorized representative may:
- 11.6.1 impose a daily financial penalty, the amount of which shall be determined from time to time by the TRUSTEES or their duly authorized representative, on notice to the MEMBER;



- 11.6.2 enter upon the ERF to inspect the ERF and/or IMPROVEMENTS;
- 11.6.3 appoint an independent contractor at the MEMBER's expense to ensure compliance with the obligations contained in clause 11.3 hereof;
- 11.6.4 institute legal proceedings against the MEMBER who shall be liable to the TRUSTEES on the scale as between attorney and own client.

12. TITLE DEED CONDITIONS AND FURTHER OBLIGATIONS OF MEMBERS

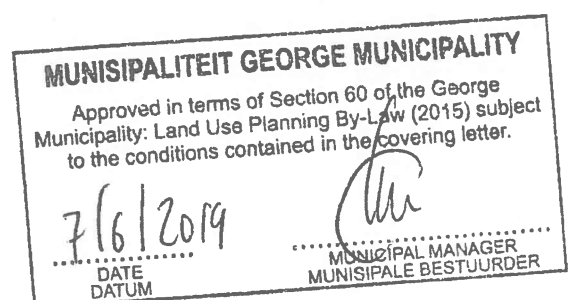
- 12.1 The following condition will be embodied in the deed of transfer relating to each ERF or UNIT in WELGELEGEN as a condition of title:

"The within property shall not be transferred without the written consent of the WELGELEGEN HOMEOWNERS ASSOCIATION of which the within transferee and his successors in title shall automatically become a member."

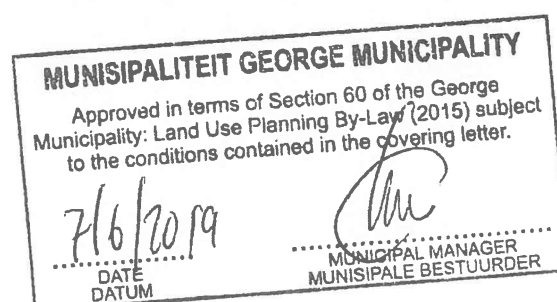
- 12.2 The ASSOCIATION may withhold the written consent referred to in clause 12.1 hereof if the OWNER has not complied with all provisions of this CONSTITUTION or his obligations (whether financial or otherwise) in terms thereof or in terms of applicable rules or regulations.
- 12.3 A member shall not be entitled to ALIENATE his ERF unless it is a condition of the sale and transfer that the transferee acknowledges that he becomes a MEMBER of the Association upon registration of such transfer and that he agrees to abide by the terms of this CONSTITUTION and the ARCHITECTURAL GUIDELINES.

13. SERVICES: TAKEOVER / MAINTENANCE

- 13.1 In respect of water, electrical and sewerage systems for the entire WELGELEGEN the following shall apply:
 - 13.1.1 upon completion by the DEVELOPER at its cost of such services, to the satisfaction of the LOCAL AUTHORITY, who shall act reasonably in that regard, ownership in such services shall automatically vest in the LOCAL AUTHORITY free of charge;



- 13.1.2 the LOCAL AUTHORITY shall at all times, at its cost, be solely responsible, up to the consumer side of water meters, the electricity connection cable and the sewer connection up to the individual property boundary, for the maintenance of such services, as well as the reading of meters and the issuing of accounts to the individual property owners;
- 13.1.3 electricity and water meters shall remain the property of the LOCAL AUTHORITY which retains ownership thereof;
- 13.1.4 all usual and normal conditions and fees for connections of water, sewer and electricity in terms of applicable by-laws shall apply;
- 13.1.5 the LOCAL AUTHORITY shall enjoy reasonable access to WELGELEGEN for the maintenance and inspection of the services and for the reading of meters, subject to compliance with the security requirements from time to time of the ASSOCIATION; and
- 13.1.6 no persons other than the authorized agents of the LOCAL AUTHORITY shall interfere with or connect to any municipal service or meter.
- 13.2 In respect of all other services including but not limited to maintenance and control of dams and streams, roads, pavements, parks and storm water disposal (i.e. only excluding water, electrical and sewer systems) for the entire WELGELEGEN, the following shall apply:
- 13.2.1 upon completion by the DEVELOPER at its cost of such services to the satisfaction of the LOCAL AUTHORITY, who shall act reasonably in that regard, ownership in such services shall automatically vest in the ASSOCIATION free of charge;
- 13.2.2 The ASSOCIATION and its operating structures shall be responsible for the maintenance of such services, as well as the ongoing implementation of environmental protection procedures.
- 13.3 Refuse removal will be undertaken by the LOCAL AUTHORITY and/or approved service provider at standard refuse collection tariffs applicable from time to time. The service provided by the LOCAL AUTHORITY in respect of refuse removal will be at the LOCAL AUTHORITY's normal service levels with regard to frequency and related aspects.



14. COMMUNAL AREAS AND FACILITIES

14.1 The DEVELOPER shall free of consideration and at the cost of the DEVELOPER, transfer to the ASSOCIATION the following communal areas in each phase:

14.1.1 Road reserves (being roads, pavements, parking areas and planted areas);

14.1.2 Dams and streams

14.1.3 Parks and parkland areas;

14.1.4 Erven designated by the DEVELOPER for ASSOCIATION use such as the Entrance gate erf/erven;

14.1.5 Any other areas designated as Private Open Space;

and includes any structures or facilities erected upon any of the above the risk wherein passes to the ASSOCIATION upon formation of the ASSOCIATION and in respect whereof the maintenance and upkeep thereof is the responsibility of the ASSOCIATION as well as liability for rates and taxes and all charges attaching thereto;

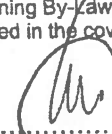
14.2 The DEVELOPER remains the owner of all portions of WELGELEGEN not transferred to MEMBERS or the ASSOCIATION.

14.3 Save as referred to in 13 hereof, the LOCAL AUTHORITY bears no responsibility for the infrastructure.

15. LEVIES

15.1 The TRUSTEES shall

15.1.1 establish and maintain a levy fund for the purposes of meeting all expenses of the ASSOCIATION for the control, management and administration of WELGELEGEN and for charges for the supply of any service required by the ASSOCIATION and any rates or levies which may from time to time be imposed by the LOCAL AUTHORITY and/or other competent authority and/or for payment of all expenses necessary or reasonably incurred in connection with the

MUNISIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
DATE DATUM	MUNICIPAL MANAGER MUNISIPALE BESTUURDER

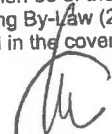
management of the ASSOCIATION and the maintenance, repair and renewal of common areas and facilities including the dams and streams;

- 15.1.2 estimate the amount which will be required by the ASSOCIATION to meet its expenses during each year, together with such estimated deficiency, if any, as shall result from the preceding year and must include in such estimate an amount to be held in reserve to meet anticipated future expenditure not of an annual nature;
- 15.1.3 require MEMBERS whenever necessary to make contributions to such fund for the purposes of satisfying the expenses referred to in clauses 15.1.1 and 15.1.2, equal as nearly as is reasonably practical to such estimated amount;
- 15.1.4 All levies payable to WELGELEGEN by owners of properties in WELGELEGEN ESTATE, WELGELEGEN VILLAGE and WELGELEGEN VIEWS will be payable in the following proportions:

WELGELEGEN ESTATE:	75%
WELGELEGEN VILLAGE:	18,86%
WELGELEGEN VIEWS:	6,14%

provided that the proportion payable by WELGELEGEN VIEWS will be payable by its Body Corporate and collected pro rata from the members of the Body Corporate in accordance with their participation quota by the Body Corporate;


- 15.1.5 be allowed to bill to an owner's account any legal fees, penalty, fine or whatever transgression and/or forced repair for collection.
- 15.2 The TRUSTEES may, from time to time, make special levies upon MEMBERS effective from the date of passing of the applicable RESOLUTION in respect of such expenses referred to in clause 15.1 (which are not included in any estimate made in terms of clause 15.1.2) and such levies may be imposed and shall be payable in one sum or by such installments and at such time or times as the TRUSTEES shall deem fit.
- 15.3 Any amount due by a MEMBER by way of a levy shall be a debt due by him to the ASSOCIATION payable within such time as determined by the TRUSTEES. The obligation of a MEMBER to pay a levy shall cease upon his ceasing to be a MEMBER save that he shall remain liable for

MUNISIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
DATE DATUM	MUNICIPAL MANAGER MUNISIPALE BESTUURDER

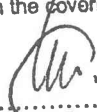
all levies calculated up to the date upon which he ceases to be a MEMBER. No levies paid by a MEMBER shall be repayable by the ASSOCIATION upon his ceasing to be a MEMBER. A MEMBER's successor in title to an ERF or UNIT shall be liable as from the date upon which he becomes a MEMBER pursuant to the transfer of such ERF or UNIT to pay the levies attributable to that ERF or UNIT. No MEMBER shall be entitled to transfer his ERF until the TRUSTEES have certified that the MEMBER has, at the date of transfer, paid all amounts owing by him to the ASSOCIATION.

- 15.4 In calculating levies, the TRUSTEES shall take into account income, if any, earned by the ASSOCIATION and the allocation of voting rights to MEMBERS as recorded herein.
- 15.5 The decision of the TRUSTEES in calculating the levies or special levies shall be subject to approval at a General Meeting and binding on all MEMBERS. Details of proposed levies must be included in the notice of a General Meeting.
- 15.6 The levy payable by a MEMBER shall bear the same proportion to the total levy imposed on MEMBERS as that MEMBER's voting right bears to the aggregate of voting rights of all MEMBERS.
- 15.7 No MEMBER shall be entitled to vote or to enjoy any of the other privileges of membership unless and until he shall have paid every levy and other sum (if any) which shall be due and payable to the ASSOCIATION in respect of his membership thereof.
- 15.8 All levies are due and payable by MEMBERS on the first day of the month immediately following the month in which such liability arose and, thereafter, on the first day of each and every following month.
- 15.9 MEMBERS shall be liable for payment of interest on outstanding amounts at a rate determined by the TRUSTEES from time to time but not exceeding the maximum annual rate permitted by law. Interest calculated at the determined rate is recoverable from the date on which the amount is due and payable to the date of payment provided that any portion of a month will be regarded as a full calendar month for the purposes of this calculation.

16. BREACH

MUNISIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
..... DATE DATUM	..... MUNICIPAL MANAGER MUNISIPALE BESTUURDER

- 16.1 The TRUSTEES may on behalf of and in the name of the ASSOCIATION institute legal proceedings in accordance with the provisions of this clause 16.
- 16.2 If any MEMBER is in breach of any of the obligations of such MEMBER in accordance with clauses 9 – 11 of this CONSTITUTION, the TRUSTEES may on behalf of and in the name of the ASSOCIATION serve notice on such MEMBER calling upon him to remedy such breach within a time specified in such notice and, failing timeous compliance:
- 16.2.1 enter upon the ERF to take such action as may be reasonably required to remedy the breach and the MEMBER concerned shall be liable to the ASSOCIATION for all costs so incurred, which costs shall be due and payable upon demand;
- and/or
- 16.2.2 call upon such MEMBER in writing to remove or alter within a specified period any portion of the IMPROVEMENTS or any addition erected contrary to the provisions of this CONSTITUTION read with the ARCHITECTURAL GUIDELINES and, failing which, the matter shall be referred to a special meeting of the ASSOCIATION convened to afford MEMBERS the opportunity to give directions to the TRUSTEES. The RESOLUTION of the ASSOCIATION at such meeting shall be binding upon such defaulting MEMBER and shall be implemented by the TRUSTEES;
- and/or
- 16.2.3 institute proceedings in any court of competent jurisdiction for such relief as the TRUSTEES may consider necessary and such MEMBER shall be liable for and shall pay all costs of such proceedings on the scale as between attorney and own client and all other expenses and charges incurred in obtaining relief;
- and/or
- 16.2.4 impose a daily financial penalty, the amount of which shall be determined from time to time by the TRUSTEES, on notice to the MEMBER.
- 16.3 If any MEMBER fails to make payment on due date of levies or other amounts payable by such MEMBER, the TRUSTEES may give notice to such MEMBER requiring him to remedy such breach within such

MUNISIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019 DATE DATUM	 MUNICIPAL MANAGER MUNISIPALE BESTUURDER

period as the TRUSTEES may determine and should he fail to timeously remedy his breach, the TRUSTEES may, on behalf of the ASSOCIATION, institute legal proceedings against such MEMBER without further notice and such MEMBER will be liable for and shall pay all legal costs on the scale as between attorney and own client together with collection commission and any other expenses and charges incurred by the ASSOCIATION in obtaining recovery.

16.4 Nothing in the a foregoing shall derogate from or in any way diminish the right of the ASSOCIATION to institute proceedings in any court of competent jurisdiction for recovery of any money due by any MEMBER arising from any cause of action whatsoever or for any other relief.

16.5 In the event of any breach of this CONSTITUTION by the members of any MEMBER's household or his invitees or lessees, such breach shall be deemed to have been committed by the MEMBER himself but, without prejudice to the a foregoing, the TRUSTEES shall be entitled to take or cause to be taken such steps against the person actually committing the breach as they may in their discretion deem fit, with or without proceedings against the MEMBER.

17. TRUSTEES

17.1 The TRUSTEES of the ASSOCIATION shall comprise a maximum of 6 (six) TRUSTEES.

17.2 A TRUSTEE shall be an individual but need not himself be a MEMBER provided that the majority shall be MEMBERS.

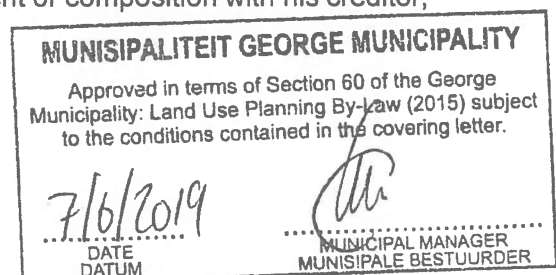
17.3 A TRUSTEE shall, by accepting his appointment as such, be deemed to have agreed to be bound by the provisions of this CONSTITUTION.

17.4 Subject to the provisions of clause 17.5, TRUSTEES shall continue to hold office until the annual general meeting of the HOA following their appointment, at which meeting the TRUSTEES shall be deemed to have retired from office as such but will be eligible for re-election at such meeting.

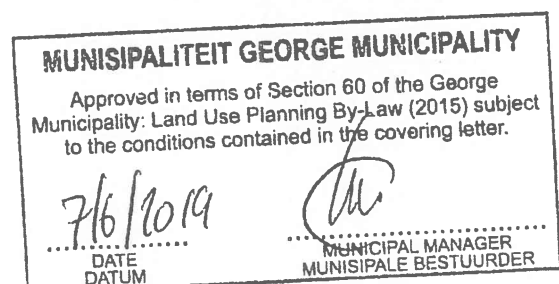
17.5 A TRUSTEE shall be deemed to have vacated his office as such upon:

17.5.1 his estate being sequestrated, whether provisionally or finally or upon his surrendering his estate;

17.5.2 him making any arrangement or composition with his creditor;




- 17.5.3 his conviction for any offence involving dishonesty;
- 17.5.4 him becoming of unsound mind or being found lunatic;
- 17.5.5 him resigning from such office in writing;
- 17.5.6 his death;
- 17.5.7 him being removed from office by a resolution of TRUSTEES;
- 17.5.8 his being disentitled to exercise a vote in terms of this CONSTITUTION.
- 17.6 Notwithstanding the fact that a TRUSTEE shall be deemed to have vacated his office as provided in clause 17.6, anything done by such TRUSTEE in the capacity of a TRUSTEE in good faith shall be valid until the fact that he is no longer a TRUSTEE has been recorded in the Minute Book of the TRUSTEES. Should the office of a TRUSTEE fall vacant prior to the next annual general meeting of the ASSOCIATION, the vacancy in question may be filled by the TRUSTEES and the person so appointed shall hold office until the next annual general meeting.
- 17.7 Within 45 (forty five) days of the holding of each annual general meeting of the ASSOCIATION the TRUSTEES shall meet and shall elect from the TRUSTEES the CHAIRMAN who shall hold office until the annual general meeting held next after his appointment, provided that the office of CHAIRMAN shall ipso facto be vacated by the TRUSTEE holding such office upon his ceasing to be a TRUSTEE for any reason. In the event of any vacancy occurring in the aforesaid office the TRUSTEES shall meet as soon as reasonably possible to appoint from the TRUSTEES one as a replacement in such office.
- 17.8 Save as otherwise provided in this CONSTITUTION the CHAIRMAN shall preside at all meetings of the TRUSTEES and all general meetings of the ASSOCIATION and shall perform all duties incidental to the office of CHAIRMAN and such other duties as may be prescribed by the TRUSTEES or by MEMBERS and shall allow or refuse to permit guests to speak at any such meetings, provided that any such guest shall not be entitled to vote at any meetings and provided further that a MEMBER's spouse shall be entitled to speak at any meeting.
- 17.9 If the CHAIRMAN vacates the chair during the course of a meeting or is not present or is, for any other reason, unable to preside at any meeting, the TRUSTEES present at such meeting shall choose another CHAIRMAN for such meeting.




- 17.10 A TRUSTEE shall be disqualified from voting in respect of any contract or proposed contract or any litigation or proposed litigation or any dispute, with the ASSOCIATION, by virtue of any interest he may have therein.
- 17.11 No contract concluded on behalf of the TRUSTEES shall be valid and binding unless it is signed by the CHAIRMAN and one TRUSTEE, the latter specifically appointed as authorized signatory in terms of the RESOLUTION of TRUSTEES whereby the TRUSTEES bind the ASSOCIATION.
- 17.12 TRUSTEES shall be entitled to be repaid all reasonable and bona fide expenses incurred by them in or about the performance of their duties as TRUSTEES and/or CHAIRMAN, as the case may be, but save as aforesaid, shall not be entitled to any other remuneration, fees or salary in respect of the performance of such duties.
- 17.13 TRUSTEES may not make loans on behalf of the ASSOCIATION to MEMBERS or to themselves.

18. FUNCTIONS, POWERS AND DUTIES OF TRUSTEES

- 18.1 Subject to the express provisions of this CONSTITUTION, the TRUSTEES shall manage and control the business and affairs of the ASSOCIATION, shall have full powers in the management and direction of such business and affairs, including the right of appointment and dismissal of any MANAGING AGENT, may exercise all such powers of the ASSOCIATION and do all such acts on behalf of the ASSOCIATION as may be exercised and done by the ASSOCIATION and as are not by this CONSTITUTION required to be exercised or done by the ASSOCIATION in general meeting subject however to such regulations as may have been made by the ASSOCIATION in general meeting provided that no regulation made by the ASSOCIATION in general meeting shall invalidate any prior act of the TRUSTEES which would have been valid if such regulation had not been made.
- 18.2 Save as specifically provided in this CONSTITUTION the TRUSTEES shall at all times have the right to engage on behalf of the ASSOCIATION the services of accountants, advocates, attorneys, auditors, architects, engineers, land surveyors, managing agents, town planners or any other professional firm or person or other employees whatsoever for any reason deemed necessary by the TRUSTEES on such terms as the TRUSTEES shall decide.

MUNICIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
DATE DATUM	MUNICIPAL MANAGER MUNISIPALE BESTUURDER


- 18.3 The TRUSTEES shall have the right to vary, cancel or modify any of their decisions and resolutions from time to time.
- 18.4 The TRUSTEES shall have the right to co-opt any person or persons chosen by them. A co-opted TRUSTEE shall enjoy all the rights and be subject to all the obligations of the TRUSTEES provided that such co-opted TRUSTEE shall only serve until the next annual general meeting.
- 18.5 The TRUSTEES may make regulations and rules not inconsistent with this CONSTITUTION or any restrictions imposed, or directions given by the ASSOCIATION in a general meeting including but not limited to rules and regulations pertaining to:
- 18.5.1 a BUILDERS CODE OF CONDUCT;
 - 18.5.2 an APPLICATION TO CONDUCT BUSINESS;
 - 18.5.3 ARCHITECTURAL GUIDELINES, SUBMISSION OF BUILDING PLANS and the making of IMPROVEMENTS;
 - 18.5.4 CONDUCT RULES including fines and penalties;
 - 18.5.5 the management of the affairs of the ASSOCIATION;
 - 18.5.6 the resolution of grievances and disputes generally.
 - 18.5.7 for the conduct of TRUSTEES at meetings of TRUSTEES and meetings of the ASSOCIATION;
 - 18.5.8 to levy and collect contributions from MEMBERS in accordance with clause 15;
 - 18.5.9 to levy and recover from MEMBERS moneys which are necessary to defray the necessary expenses of the LOCAL AUTHORITY in the event of the LOCAL AUTHORITY imposing any levies and imposts against the ASSOCIATION;
 - 18.5.10 to assist it in administering and governing its activities generally;
 - 18.5.11 to further and promote any of the objects of the ASSOCIATION, and
 - 18.5.12 to advance the interests of MEMBERS.

MUNICIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/16/2019	
DATE DATUM	MUNICIPAL MANAGER MUNISIPALE BESTUURDER

- 18.6 Without in any way limiting the powers granted, the duties and powers of the TRUSTEES shall further specifically include:
- 18.6.1 the determination of what constitutes appropriate standards for residential living, maintenance, repairs, additions to and IMPROVEMENTS in strict accordance with the provisions of the ARCHITECTURAL GUIDELINES. The TRUSTEES shall be entitled to require any MEMBER, who shall be obliged, to repaint or renovate his IMPROVEMENTS if in the reasonable opinion of the TRUSTEES such IMPROVEMENTS require essential repairs or have become dilapidated;
 - 18.6.2 entering into of agreements with third parties on behalf of the ASSOCIATION for any purposes of the ASSOCIATION.
 - 18.6.3 the employment on behalf of the ASSOCIATION of agents, servants and any other party and the payment of such persons;
 - 18.6.4 the taking of steps in all matters of common interest in respect of the ASSOCIATION and, without detracting from the generality thereof, such as common sewage, electricity supply, landscaping, maintenance of private roads and dams and streams, refuse facilities, removal of refuse and suchlike, where applicable;
 - 18.6.5 the institution or defense of actions and/or applications in the name of the ASSOCIATION and to appoint legal representatives for such purpose.

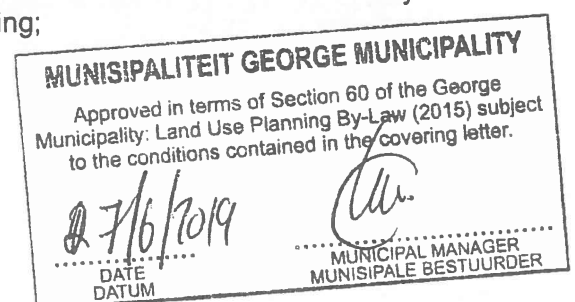
19. PROCEEDINGS OF TRUSTEES

- 19.1 The TRUSTEES may meet for the dispatch of business, adjourn and otherwise regulate their meetings as they deem fit, subject to the provisions of this CONSTITUTION.
- 19.2 Meetings of the TRUSTEES shall be held at least once every 4 (four) months.
- 19.3 The CHAIRMAN always has the right to convene meetings of TRUSTEES.
- 19.4 A TRUSTEE may, provided he has the support in writing of 2 (two) other TRUSTEES, at any time convene a meeting of TRUSTEES by giving to

MUNICIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
DATE DATUM	MUNICIPAL MANAGER MUNISIPALE BESTUURDER

the other TRUSTEES not less than 14 (fourteen) days written notice of a meeting proposed by him, which notice shall specify the reason for calling such a meeting; provided that in cases of urgency, such shorter notice as is reasonable in the circumstances may be given.

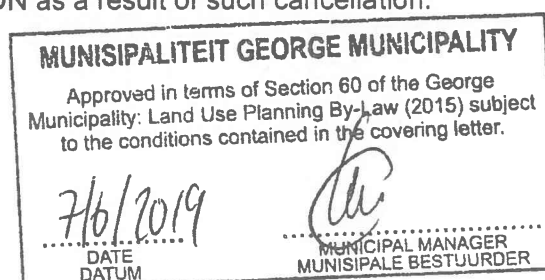
- 19.5 A RESOLUTION in writing signed by all the TRUSTEES shall be valid and effectual as if it had been passed at a meeting of TRUSTEES duly called and constituted.
- 19.6 The quorum necessary for the holding of any meeting of TRUSTEES shall be 3 (three) TRUSTEES present personally. If no quorum is present within 15 (fifteen) minutes after the time for commencement of the meeting then it shall stand adjourned for the same time and place on the following day which is not a Saturday, Sunday or public holiday and, if at such adjourned meeting, a quorum is not present within 30 (thirty) minutes after the time appointed for the meeting, the TRUSTEES then present shall be a quorum.
- 19.7 Any RESOLUTION of the TRUSTEES shall be carried by a simple majority of all votes cast. In the case of an equality of votes for and against a RESOLUTION, the CHAIRMAN shall have a second or casting vote.
- 19.8 The CHAIRMAN shall preside as such at all meetings of TRUSTEES provided that, should at any meeting of TRUSTEES the CHAIRMAN not be present within 15 (fifteen) minutes after the time appointed for the holding thereof, those present of the TRUSTEES shall vote to appoint a CHAIRMAN for the meeting who shall thereupon exercise all the powers and duties of the CHAIRMAN in relation to such meeting.
- 19.9 A TRUSTEE may be represented at a meeting of TRUSTEES by a proxy provided such proxy is a TRUSTEE
- 19.10 The instrument appointing a proxy shall be in writing and signed by the TRUSTEE concerned but need not be in any particular form. The proxy shall be deposited with the CHAIRMAN at any time before the time appointed for the commencement of a meeting and shall be valid only for such meeting or any adjournment thereof.
- 19.11 The TRUSTEES shall
- 19.11.1 ensure that minutes are taken of every meeting of TRUSTEES, although not necessarily verbatim, which minutes shall be reduced to writing without undue delay after the meeting has closed and shall then be certified correct by the CHAIRMAN of the meeting;



- 19.11.2 cause such minutes to be kept of all meetings of the TRUSTEES in a minute book of meetings of TRUSTEES kept for that purpose;
- 19.11.3 keep all minute books of meetings of TRUSTEES in perpetuity;
- 19.11.4 on the written application of any MEMBER, make all minutes of their proceedings available for inspection by such MEMBER.
- 19.12 All RESOLUTIONS recorded in the minutes of any meeting of TRUSTEES shall be valid and of full force and effect as therein recorded with effect from the passing of such RESOLUTIONS and until varied or rescinded, but no RESOLUTION or purported RESOLUTION of TRUSTEES shall be of any force or effect or shall be binding upon the MEMBERS or any of the TRUSTEES unless such RESOLUTION is competent within the powers of the TRUSTEES.
- 19.13 Save as otherwise provided in this CONSTITUTION, the proceedings at any meeting of TRUSTEES shall be conducted in such reasonable manner and form as the CHAIRMAN of the meeting shall decide.

20. MANAGING AGENT

- 20.1 The TRUSTEES shall, in addition to the powers contained herein, have the power from time to time, if deemed necessary, to appoint in terms of a written contract, a MANAGING AGENT to control, manage and administer the WELGELEGEN and to exercise such powers and duties as may be entrusted to the MANAGING AGENT, including the power to collect levies, provided that a MANAGING AGENT shall be appointed for a year at a time, and unless the TRUSTEES notify the MANAGING AGENT to the contrary, such appointment will be automatically renewed from year to year.
- 20.2 The TRUSTEES shall ensure that there is included in the contract of appointment of a MANAGING AGENT a provision to the effect that if the MANAGING AGENT is in breach of any of the provisions of his contract or if he is guilty of conduct which at common law would justify the termination of a contract between master and servant, the TRUSTEES may, without notice, cancel such contract of employment and the MANAGING AGENT shall have no claim whatsoever against the TRUSTEES and/or the ASSOCIATION as a result of such cancellation.



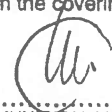
- 20.3 With effect from the date of commencement of the ASSOCIATION, the DEVELOPER, in its sole discretion, is entitled to appoint the first MANAGING AGENT for a period of 12 (twelve) months or until the first annual general meeting of the ASSOCIATION, whichever first occurs.

21. GENERAL MEETINGS OF THE ASSOCIATION

- 21.1 The ASSOCIATION shall, within 12 (twelve) months of the date of commencement of the ASSOCIATION hold a general meeting as its first annual general meeting. Thereafter, within 4 (four) months of each financial year end of the ASSOCIATION it shall hold second and subsequent annual general meetings.
- 21.2 Such annual general meetings shall be held at such time and place, subject to the foregoing provisions, as the TRUSTEES shall decide from time to time.
- 21.3 The TRUSTEES may, whenever they deem fit, convene a general meeting and a general meeting shall also be convened on a requisition made by not less than 25% (twenty five per centum) of MEMBERS or should the TRUSTEES fail to do so such meeting may be convened by the requisitionists themselves provided that notice thereof be given in terms of clause 22.

22. NOTICE OF MEETINGS



- 22.1 An annual general meeting shall be called by not less than 21 (twenty one) calendar days' notice and a general meeting by not less than 14 (fourteen) calendar days' notice, as provided in clause 22.3. The notice shall specify the place, the day and the hour of the meeting and, in the case of special business in addition to any other requirements contained in this CONSTITUTION, the general nature of that business and the reasons for it shall be given in the manner hereafter mentioned or in such other manner, if any, as may be prescribed by the TRUSTEES to such persons as are, under this CONSTITUTION, entitled to receive such notices from the ASSOCIATION; provided that a general meeting or an annual general meeting of the ASSOCIATION shall, notwithstanding that it is called by shorter notice than that specified in this CONSTITUTION, be deemed to have been duly called if it is agreed to by not less than 60% (sixty per centum) of MEMBERS having a right to attend and vote at the meeting.

MUNISIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
DATE DATUM	MUNICIPAL MANAGER MUNISIPALE BESTUURDER

- 22.2 The accidental omission to give notice of any RESOLUTION or to present any document required to be given or sent in terms of this CONSTITUTION, shall not invalidate the proceedings at or any RESOLUTION passed at any meeting.
- 22.3 Notice of the annual general meeting and/or a general meeting to a MEMBER shall be at his chosen email address or domicilium et executandi, provided that a MEMBER is entitled by written notice to the TRUSTEES to choose another physical address or postal address in the Republic of South Africa or to an email address and the change is effective when the TRUSTEES notice of such a change. A notice of a General Meeting will also be displayed on the notice board at the entrance gate.
- 22.4 The non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings of that meeting.
- 22.5 Any member that wishes to raise a motion at a General Meeting must provide full details and supporting documentation of such motion to the TRUSTEES at least 14 calendar days before the General Meeting. The Trustees will have the discretion to allow or not allow such motion if notice of less than 14 days were given to the TRUSTEES.

23. PROXIES

- 23.1 A MEMBER may be represented at an annual general meeting and/or general meeting by a proxy, provided that no spouse or PERSON connected to a MEMBER may represent a MEMBER at a meeting if a proxy that meets with the requirements of this clause 23 has not been provided by the MEMBER to such PERSON.
- 23.2 The instrument appointing a proxy shall be in writing signed by the MEMBER concerned or his duly authorized agent in writing but need not be in any form provided that where a MEMBER is more than one person any one of those persons may sign the instrument appointing a proxy on such MEMBER's behalf. Where a MEMBER is a company, a proxy may be signed by any person authorized by a resolution of the board of directors of the company or by its secretary and, where a close corporation, by any member of such close corporation and, where an association of persons, by the secretary thereof and, where a trust, by a person duly authorized by the trustees of such trust.

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

- 23.3 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed shall be lodged with the ASSOCIATION or MANAGING AGENT at least 24 (twenty-four) hours before the scheduled time for the commencement of the meeting or adjourned meeting concerned. The instrument appointing a proxy shall be valid only for the specific meeting or the adjournment thereof.


24. QUORUM

- 24.1 Subject to the provisions of 24.2, no business shall be transacted at any annual general meeting or general meeting unless a quorum is present when the meeting proceeds to business and when any RESOLUTION is to be passed. The quorum necessary for the holding of any meeting shall be 20% (twenty per centum) of the total MEMBERS entitled to attend and vote thereat.
- 24.2 If, within 30 (thirty) minutes after the time appointed for the commencement of the meeting, a quorum is not present, the meeting, if convened on the requisition of MEMBERS, shall be dissolved. In all other cases, the meeting shall stand adjourned to the same day in the next week at the same place and time and, if at such adjourned meeting, a quorum is not present, the MEMBERS present shall constitute a quorum.

25. AGENDA AT MEETINGS

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

- 25.1 the consideration of the CHAIRMAN's report;
- 25.2 the election of TRUSTEES;
- 25.3 the consideration of the financial statements of the ASSOCIATION for the last financial year of the Association preceding the date of such meeting;
- 25.4 the consideration and approval, with or without amendment, of the budget as presented by the TRUSTEES and confirmation of levies as currently levied and proposed to be levied, including any special levies for the next 12 months;

MUNICIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
..... DATE DATUM	..... MUNICIPAL MANAGER MUNISIPALE BESTUURDER


- 25.5 any other business pertinent to such meeting, including any RESOLUTIONS proposed for adoption by such meeting and the voting upon any such RESOLUTIONS.

26. PROCEDURE AT MEETINGS

- 26.1 The CHAIRMAN shall preside as such at all meetings provided that should he not be present within 15 (fifteen) minutes after the time appointed for the holding thereof, then the TRUSTEES present at such meetings shall vote to appoint a CHAIRMAN for the meeting who shall thereupon exercise all the powers and duties of the CHAIRMAN in relation to such meeting.
- 26.2 The CHAIRMAN may, with the consent of any meeting at which a quorum is present (and if so directed by the meeting), adjourn a meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business that might have been transacted at the meeting from which the adjournment took place. No notice need be given of the adjourned meeting save for an announcement at the meeting of the date, time and venue of the adjourned meeting unless the meeting is to be adjourned for 30 (thirty) days or more, in which event notice is to be given in the same manner as for the original meeting. Only business left uncompleted at the original meeting may be transacted at the adjourned meeting.

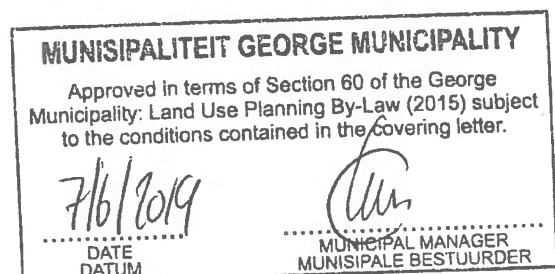
27. VOTING

- 27.1 At every annual general meeting or general meeting of the ASSOCIATION voting will be based on the following:
- 27.1.1 each owner of a single residential ERF in WELGELEGEN ESTATE present in person or by proxy shall have one (1) vote;
- 27.1.2 each owner of a single residential ERF in WELGELEGEN VILLAGE present in person or by proxy shall have one (1) vote;
- 27.1.3 the owners of UNITS in WELGELEGEN VIEWS shall jointly have nine (9) votes which shall be cast by the Chairman of

MUNISIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
7/6/2019	
..... DATE DATUM	..... MUNICIPAL MANAGER MUNISIPALE BESTUURDER

the TRUSTEES of the Body Corporate or a person nominated by him or her.

- 27.2 At any meeting of MEMBERS a RESOLUTION put to the vote at the meeting shall be decided on a show of hands unless before or on the declaration of the result of the show of hands a poll shall be demanded by any MEMBER. If a poll is duly demanded it shall be taken in such manner as the CHAIRMAN directs exercising voting rights in terms of clause 27.1 and the result of the poll shall be deemed to be the RESOLUTION of the meeting at which the poll was demanded.
- 27.3 Save as expressly provided for in this CONSTITUTION no person other than a MEMBER duly registered and who shall have paid every levy and other sum (if any) which shall be due and payable to the Association in respect of or arising out of his membership, shall be entitled to be present and to vote on any question either personally or by proxy.
- 27.4 At any annual general meeting or general meeting a RESOLUTION put to the vote at the meeting shall be decided on an ordinary majority of votes represented by MEMBERS entitled to attend and vote thereon present in person or by proxy in accordance with the votes recorded in Clause 27.1
- 27.5 Voting on any question of adjournment shall be decided on an ordinary majority of votes represented by MEMBERS entitled to attend and vote there at present in person or by proxy.
- 27.6 Every RESOLUTION and every amendment of a RESOLUTION proposed for adoption by a general meeting shall be seconded at the meeting and, if not seconded, shall be deemed not to have been proposed.
- 27.7 Unless any MEMBER present in person or by proxy at a meeting shall, before closure of the meeting, have objected to any declaration made by the CHAIRMAN of the meeting as to the result of any voting at the meeting, or to the propriety or validity of the procedure at such meeting, such declaration by the CHAIRMAN shall be deemed to be a true and correct statement of the voting and the meeting shall in all respects be deemed to have been properly and validly constituted and conducted and an entry in the minutes of the ASSOCIATION to the effect that any motion has been carried or lost with or without a record of the number of votes recorded in favour of or against such motion shall be conclusive evidence of the RESOLUTION so recorded if such entry conforms with the declaration made by the CHAIRMAN of the meeting as to the result of any voting at the meeting.



28. MINUTES OF MEETINGS OF THE ASSOCIATION

28.1 The TRUSTEES shall

28.1.1 ensure that minutes are taken of every meeting of the ASSOCIATION, although not necessarily verbatim, which minutes shall be reduced to writing without undue delay after the meeting has closed and shall then be certified correct by the CHAIRMAN of the meeting;

28.1.2 cause such minutes to be kept of all such meetings of the ASSOCIATION in a minute book of meetings of the Association kept for the purpose.

28.2 The TRUSTEES shall keep all minute books of meetings of the Association in perpetuity.

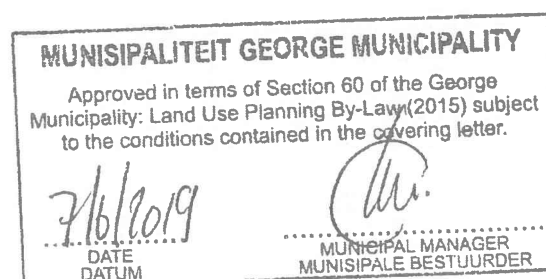
28.3 On the written application of any MEMBER the TRUSTEES shall make all minutes of the proceedings and/or meetings of the ASSOCIATION available for inspection by such MEMBER.

28.4 All RESOLUTIONS recorded in the minutes of any meetings of the Association shall be valid and of full force and effect as therein recorded, with effect from the passing of such RESOLUTIONS, and until varied or rescinded, but no RESOLUTION or purported RESOLUTION of the ASSOCIATION shall be of any force or effect, or shall be binding upon the MEMBERS or any of the TRUSTEES, unless such RESOLUTION is competent within the powers of the ASSOCIATION.

28.5 Save as otherwise provided in this CONSTITUTION, the proceedings at any meeting of the ASSOCIATION shall be conducted in such reasonable manner and form as the CHAIRMAN of the meeting shall decide.

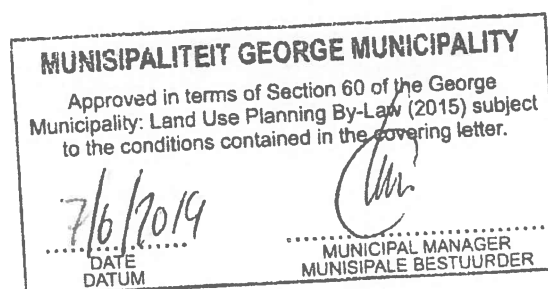
29. FINANCIAL YEAR END

The financial year end of the ASSOCIATION is the last day of FEBRUARY of each year.



30. ACCOUNTS

- 30.1 The TRUSTEES shall cause proper books of account and records to be kept so as fairly to explain the transactions and financial position of the ASSOCIATION including:
- 30.1.1 a record of the assets and liabilities of the ASSOCIATION;
 - 30.1.2 a record of all sums of money received and expended by the ASSOCIATION and the matters in respect of which such receipt and expenditure occur;
 - 30.1.3 a register of MEMBERS showing in each case their addresses;
 - 30.1.4 individual ledger accounts in respect of each MEMBER
- 30.2 On the application of any MEMBER the TRUSTEES shall make all or any of the books of account and records available for inspection by such MEMBER.
- 30.3 The TRUSTEES shall cause all books of account and records to be retained for a period of 6 (six) years after completion of the transactions, acts or operations to which they relate.
- 30.4 The ASSOCIATION in general meeting or the TRUSTEES may from time to time make reasonable conditions and regulations as to the time and manner of the inspection by MEMBERS of the accounts and books of the ASSOCIATION, or any of them, and subsequent to such conditions and regulations, the accounts and books of the Association shall be open to the inspection of MEMBERS at all reasonable times during normal business hours.
- 30.5 At each annual general meeting the TRUSTEES shall lay before the ASSOCIATION financial statements for the immediately preceding financial year of the ASSOCIATION or, in the case of the first period since the date of commencement of the ASSOCIATION, made up for that period. Such financial statements shall be drawn up in accordance with generally accepted accounting practice and shall be accompanied by such additional reports as may be necessary at the discretion of the TRUSTEES.



31. DEPOSIT AND INVESTMENT OF FUNDS

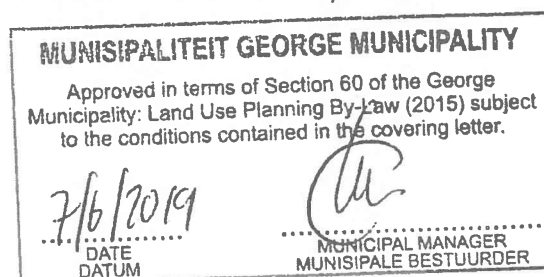
- 31.1 The TRUSTEES shall cause all moneys received by the ASSOCIATION to be deposited to the credit of an account or accounts with a registered commercial bank in the name of the ASSOCIATION and, subject to any direction given or restriction imposed at a general meeting of the ASSOCIATION, such moneys shall only be withdrawn for the purpose of payment of the expenses of the ASSOCIATION or investment.
- 31.2 Any funds not immediately required for disbursements may be invested in a savings or similar account with any financial institution or any other registered deposit receiving institution approved by the TRUSTEES from time to time.
- 31.3 Interest on moneys invested shall be used by the ASSOCIATION for any lawful purpose in the interest of the ASSOCIATION.

32. AUDIT

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

33. INDEMNITY

- 33.1 All the TRUSTEES are indemnified by the ASSOCIATION against any liabilities bona fide incurred by them in their capacities as such and in the case of the CHAIRMAN in his capacity as CHAIRMAN, as well as for all costs, losses and expenses (including traveling expenses) which they may incur or become liable for by reason of any authorized contract entered into, or any authorized act or deed done, in the discharge of any of their duties and, without detracting from the generality thereof, whether defending any proceedings, civil or criminal or otherwise in which relief is granted by a court.
- 33.2 A TRUSTEE shall not be liable for the acts, or omission of the AUDITORS or of any of the other TRUSTEES whether in their capacities



as TRUSTEES or as CHAIRMAN or for any loss or expense sustained or incurred by the ASSOCIATION through the insufficiency or deficiency of any security in or upon which moneys of the ASSOCIATION are invested or for loss or damage arising from the insolvency or wrongful act of any person with whom any moneys, securities or effects are deposited or for any loss or damage occasioned by any error of judgment or oversight on his part or for any loss, damage or misfortune of whatsoever nature occurring in the execution of his duties or in relation thereto unless occurring as a result of mala fides, breach of duty or breach of trust.

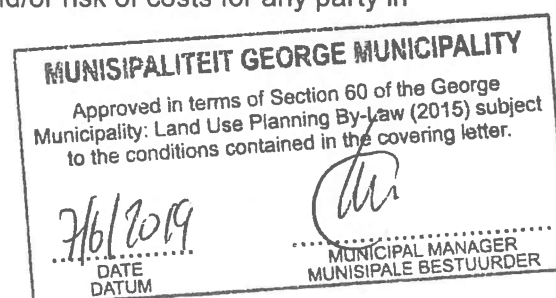
34. OWN RISK

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

35. IN-HOUSE GRIEVANCE- AND DISPUTE PROCEDURE AND THE OMBUDSMAN

A. IN-HOUSE GRIEVANCE PROCEDURE

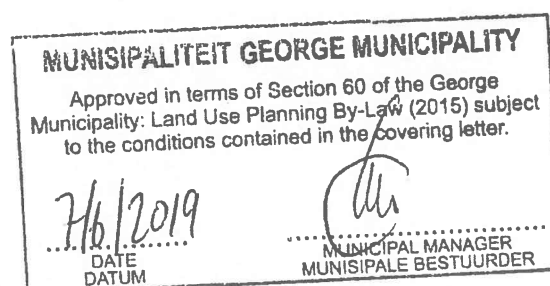
- 35.1 In the event of a grievance (defined for purposes hereof as an annoyance, aggravation, complaint or difference of opinion, including any such difference regarding the interpretation- effect- and/or rights and obligations relating to the Constitution), arising between MEMBERS or a MEMBER and the ASSOCIATION, an attempt must always in the first instance be made to settle the grievance between the parties concerned on an In-House basis. This should be done with due consideration of reasonable tolerance by all stakeholders. The aggrieved party shall in all instances always firstly submit a written, motivated summary of his/her grievance(s) to the TRUSTEES. The latter shall convene a meeting of the Trustees for the purposes of hearing the aggrieved party and discussing possible solutions to the relevant grievance(s), by giving at least ten (10) days' notice to the aggrieved party of the date and venue of the meeting, which meeting may be adjourned and reconvened from time as agreed.
- 35.2 If a grievance lodged- and dealt with in terms of sub-clause 35.1 above, is not resolved within 30 (thirty) days of the submission of the grievance and the aggrieved party intends to proceed further, the matter must be dealt with in accordance with the procedure as set out in sub-clause 35.3 below. No legal representation and/or risk of costs for any party in



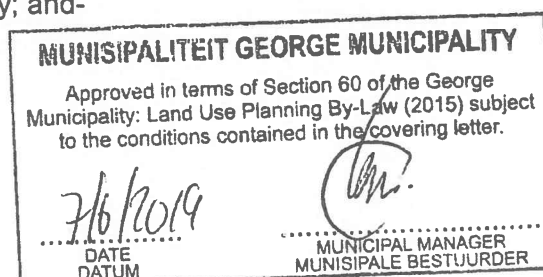
favour of the other shall be applicable to any grievance lodged- and dealt with up to the conclusion of sub-clause 35.2 hereof.

B. DISPUTE PROCEDURE

- 35.3 Should a grievance not be settled or resolved during the period referred to in sub-clause 35.2 above, the aggrieved MEMBER or the ASSOCIATION, as the case may be, must issue a written notice of dispute to the party who it is alleged to have created the dispute. A written notice of dispute ("The dispute notification") must contain the following information:
- 35.3.1 Full particulars of the MEMBER issuing the notice.
- 35.3.2 Full particulars of the alleged dispute, including the names and details of the parties involved, date, time, place and full particulars related to the relevant dispute.
- 35.3.3 Details of the manner in which it is proposed that the dispute be resolved.
- 35.3.4 Where the dispute notification referred to in sub-clause 35.3 above is not issued by the ASSOCIATION, a copy thereof must be sent to the ASSOCIATION or the MANAGING AGENT on the same day that it is issued.
- 35.4 Unless the dispute set out in the dispute notification as referred to in sub-clause 35.3 above, is resolved between the parties within a period of 30 (thirty) days after such dispute notification was issued, it must be referred to the TRUSTEES for their determination and the issuing of a directive (within 14 (fourteen) days of the expiry of the 30 (thirty) day period referred to in this sub-clause above on how the dispute should be dealt with. The TRUSTEES may direct that a matter be dealt with in one or of the following ways:
- 35.4.1 That the matter be dealt with by way of regulations and rules issued by the TRUSTEES in terms of Clause 18.5.6, which rules shall *inter alia* provide for a process of private, voluntary facilitation by a mutually acceptable third-party; or-
- 35.4.2 That the matter be referred to the Ombud as a dispute in terms of Section 38 of the Community Schemes Ombud Services Act, 2011 (Act No. 9 of 2011).



- 35.5 Within 14 (fourteen) days from the date on which the TRUSTEES issued a directive in terms of sub-clause 35.4 above, the parties involved in the matter must advise the trustees whether or not they intend to abide by the directive issued by the TRUSTEES. Should a party to whom a directive has been issued not advise the trustees within the aforesaid 14 (fourteen) day period that he or she chose not to abide by the directive, then it will be deemed that he or she chose to abide by the directive. Should no directive be issued by the Trustees within the 14 (fourteen) day period referred to in sub-clause 35.4 above, or should one or more of the parties not be prepared to abide by the directive of the TRUSTEES, then such party(ies) may refer the dispute as envisaged in sub-clause 35.4.2 above. The TRUSTEES may take such action, if any, as they in the circumstances deem appropriate, including but not limited to bringing an application in the High Court for a declaratory order.
- 35.6 The MEMBER or the ASSOCIATION, or whosoever refers a matter to be dealt with by the Ombud in accordance with the Community Schemes Ombud Services Act, 2011 must, within the relevant 14 (fourteen) day time limit as envisaged in sub-clause 35.5, declare a dispute with the Ombud by following the procedures provided for in the Ombud Act. In such event the MEMBER or the ASSOCIATION, as the case may be, must within the said 14 (fourteen) day period notify the ASSOCIATION or the MEMBER that the matter has been so referred. Insofar as the ASSOCIATION is concerned, the subject matter related to a dispute referred to the Ombud in terms of this procedure, will be stayed until a final ruling has been made thereon by the Ombud or an adjudicator to whom the matter has been referred by the Ombud.
- 35.7 The procedures provided for in this dispute procedure, shall not exclude the ASSOCIATION or a MEMBER, in appropriate, legally justified circumstances, to apply for an interdict in an appropriate court of law.
- 35.8 Where the ASSOCIATION has declared a dispute with a member, or a MEMBER has declared a dispute with the ASSOCIATION, with involvement of the the Ombud, the ASSOCIATION or the MEMBER (The "referring party"), will be liable to pay the all-inclusive cost and expenses of the other party to the dispute, including legal costs, if:
- 35.8.1 The referring party, withdraws the dispute after the other party replied to a notice from the Ombud inviting it to respond thereto; or-
- 35.8.2 An adjudicator to whom the Ombud refers a dispute for adjudication, dismisses an application brought by the referring party against the other party; and-



35.8.3 The relevant adjudicator finds that the dispute was without substance, based upon frivolous-, misconceived- or vexatious considerations- or conduct of the party against whom costs are to be awarded, or should the adjudicator find that it would be in the interests of justice to award such costs.

35.9 Where the ASSOCIATION has declared a dispute with a member, or a MEMBER has declared a dispute with the ASSOCIATION (The "referring party"), with the involvement of the the Ombud, the other party to the dispute, will be liable to pay the all-inclusive cost and expenses of the referring party to the dispute, including legal costs, if:

35.9.1 An adjudicator to whom the Ombud refers a dispute for adjudication, grants the relief applied for by the referring party; and

35.9.2 The relevant adjudicator finds that the dispute was opposed without substance, based upon frivolous-, misconceived, or vexatious considerations- or conduct, of the party against whom costs are to be awarded, or should the adjudicator find that it would be in the interests of justice to award such costs.

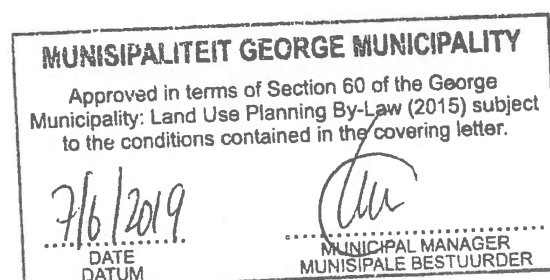
36. DOMICILIUM

36.1 The TRUSTEES shall from time to time determine the address of the domicilium citandi et executandi of the ASSOCIATION, subject to the following:

36.1.1 such address shall be the address of the CHAIRMAN or of a TRUSTEE duly appointed by MEMBERS at a Meeting, or the administrative office of the ASSOCIATION;

36.1.2 the TRUSTEES shall give notice to all MEMBERS of such address and of any change in such address.

36.2 The domicilium citandi et executandi of a MEMBER shall be the street address of the ERF registered in his name; provided that he shall be entitled from time to time to change the said domicilium to a new domicilium in the Republic of South Africa, which change shall only be effective on receipt of written notice thereof by the ASSOCIATION at its domicilium.




37 SOUTH AFRICAN REVENUE SERVICES REQUIREMENTS FOR INCOME TAX EXEMPTION

- 37.1 The sole object of the ASSOCIATION is to manage the collective interests common to all its MEMBERS, which includes expenditure applicable to the common property of such MEMBERS and the collection of levies for which such MEMBERS are liable.
- 37.2 The ASSOCIATION is not permitted to distribute its funds to any person other than to a similar association of persons.
- 37.3 On dissolution of the ASSOCIATION, the remaining assets must be distributed to a similar association of persons, which is also exempted from income tax in terms of section 10[1][e][i][cc] of the Act.
- 37.4 Any amendments to the CONSTITUTION must be submitted to the Commissioner for the South African Revenue Service.
- 37.5 Funds available for investment may only be invested with a financial institution as defined in section 1 of the Financial Services Board Act, 1990 [Act No. 97 of 1990], and in securities listed on a stock exchange as defined in section 1 of the Stock Exchanges Control Act, 1985 [Act 1 of 1985].
- 37.6 The ASSOCIATION is not or was not knowingly a party to, or does not knowingly permit or has knowingly have permitted itself to be used as part of any transaction, operation or scheme of which the sole or main purpose is or was the reduction, postponement or avoidance of liability for any tax, duty or levy which, but for such transaction, operation or scheme, would have been or would have become payable by any person under the Income Tax Act or any other Act administered by the Commissioner for the South African Revenue Service.
- 37.7 Annual returns of income tax together with financial statements must be submitted to the Tax Exemption Unit.

38. AMENDMENT

- 38.1 No provision hereof shall be added to, amended, substituted or repealed without the prior consent in writing of the LOCAL AUTHORITY and the ASSOCIATION at a General Meeting.

MUNISIPALITEIT GEORGE MUNICIPALITY	
Approved in terms of Section 60 of the George Municipality: Land Use Planning By-Law (2015) subject to the conditions contained in the covering letter.	
<i>7/6/2019</i> DATE DATUM	 MUNICIPAL MANAGER MUNISIPALE BESTUURDER

- 38.2 Subject to the provisions of clause 38.1 any addition, amendment, substitution, or repeal of the CONSTITUTION shall require the approval of at least 67% (sixty seven per centum) of the total number of votes of MEMBERS of the ASSOCIATION given at a general meeting called specifically for such purpose and the notice of such meeting shall, in addition to complying with the requirement for the convening of a meeting, set out in specific terms the proposed addition, amendment, substitution or matter to be repealed.

MUNICIPALITEIT GEORGE MUNICIPALITY

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

7/6/2019

DATE
DATUMMUNICIPAL MANAGER
MUNISIPALE BESTUURDER