SITARI
country estate

CONSTITUTION

OF

SITARI COUNTRY ESTATE

SUB-HOME OWNERS ASSOCIATION 1C



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Fairfield Place 82 (Pty) Ltd

Approved by:
J.S. Coetzee
Date: 22 Oct 2019

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Fairfield Place 82 (Pty) Ltd

Approved by:

J.S. Botzee

Date: 22 OCT 2019

1 ESTABLISHMENT

The Association is constituted as a legal persona in accordance with the conditions imposed by the Developer.

2 DEFINITIONS AND INTERPRETATION

2.1 In this SAC the following words shall, unless the context otherwise indicates, have the meanings hereinafter assigned to them:

2.1.1 **Access Procedure** mean the procedure to be followed, upon the circumstances as provided for in terms of the Constitution, this SAC and/or the Governing Rules, which procedure will be determined as part of the Governing Rules;

2.1.2 **AGM** means the Annual General Meeting of the Association held in terms of the provisions of this SAC;

2.1.3 **Association** means the ***Sitari Country Estate Sub-Home Owners Association 1C***, an association not for gain, constituted in terms hereof;

2.1.4 **BC Member** means a member of a Body Corporate that is represented at meetings of the Sub-Association by the Chairperson of the Body Corporate;

2.1.5 **Board** means the trustees of the Association assembled as a board as more fully provided for in the SAC;

2.1.6 **Body Corporate** means a Body Corporate established on an Erf, being a Member of the Association (if applicable);

2.1.7 **Chairperson** means the Chairperson of the Board and the Association, from time to time;

2.1.8 **Clear Days** means in a computation of days, the exclusion of the first and last day of the period to be calculated;

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Date: 22ND OCT 2019

2.1.9 **Common Property** means, in relation to a Sectional Title Development, the land included in the scheme and such parts of the building or buildings that are not included in a Section;

2.1.10 **Communal Property** means collectively, all Private Roads, Private Open Spaces, and specifically includes any roads, buildings, infrastructure, and facilities which are or will be located on the Parent Property and owned, controlled and managed by SCEMHOA, from time to time, for the benefit of, inter alia, SCEMHOA, its Members and the BC Members (as defined in the Constitution);

2.1.11 **Constitution** means the constitution of SCEMHOA;

2.1.12 **CSOS** means the Community Schemes Ombud Service established in terms of the CSOS Act;

2.1.13 **CSOS Act** means the Community Scheme Ombud Service Act, Act Number 9 of 2011;

2.1.14 **Developer** means Sitari Country Estate (Pty) Limited (Reg. No. 2007/033501/07), and its respective successors-in-title or assigns;

2.1.15 **Development** means development, being conducted on the Parent Property Sitari or any portion thereof,

2.1.16 **Development Period** means the period from the date of establishment of SCEMHOA until all the Land Units situated on the Parent Property have been transferred from the Developer and/or improved by the Developer, or, until the Developer notifies the Association in writing that the Development Period has ceased, whichever event occurs first;

2.1.17 **Development Plan** means the master plan for the development of the Estate, approved by the Local Authority;

2.1.18 **Development Rights** means all the development rights granted to the Developer by all relevant authorities to enable the Developer to develop the Estate;

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2.1.19 **Dwelling** means the construction of a Building on an Erf suitable for occupation and use for residential purposes by natural persons;

2.1.20 **Erf/Erven** means any Erf created by the subdivision of the Parent Property, as indicated on the SDP, or any amendments thereto, but excluding the Institutional Erven and Communal Property;

2.1.21 **Estate** means the Sitari Country Estate;

2.1.22 **Financial Year** means the financial year of the Association which shall run from the first day of the month following the first registration of transfer of a Erf in favour of an Owner until the last day of the month of June and thereafter from the first day of July in each year until the last day of June in the subsequent year;

2.1.23 **GDP** means the Gated Development Policy approved by the Local Authority by virtue of Resolution SPPLAN 03/11/07 on the 28th of November 2007;

2.1.24 **General Plan** means the General Plans in respect of the Parent Property, providing for the subdivisions thereof, approved by the Surveyor General;

2.1.25 **GM** means a collective reference to the AGM and all SGM's;

2.1.26 **Governing Rules** means the Governing Rules to govern, amplify and/or implement the provisions of the Constitution and the SAC, approved by the Developer and implemented by SCEMHOA and the Association, which Governing Rules will, as far as any Body Corporate is concerned, deemed to be including the M&C Rules;

2.1.27 **Institutional Erven** means any subdivision of the Parent Property zoned for institutional, commercial (excluding the Retail Schemes), retirement village or religious purposes and indicated as such on the SDP or for the use of ESKOM (who will be the registered owner of such an Erf or Section);

2.1.28 **Land Unit** means any subdivided portion of the Parent Property registered or capable of being registered as a separate Erf or Section in the Cape Town Deeds Registry;

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2.1.29 **Local Authority** means the Local Authority having jurisdiction over the Estate, being the City of Cape Town or its successors in title;

2.1.30 **LUPO** means the Land Use Planning Ordinance 15 of 1985, Western Cape, as amended, and includes any subsequent Planning Legislation;

2.1.31 **M&C Rules** means the Management and Conduct Rules in respect of each Sectional Title Development, as such deemed to be incorporated into the Governing Rules;

2.1.32 **Management Company** means any person or entity appointed by the Developer, during the Development Period, and thereafter by the Board of SCEMHOA, as an independent contractor to undertake any or all of the management functions of SCEMHOA, any Sub-Association and/or Body Corporate, subject to and in terms of the provisions of this SAC;

2.1.33 **Member** means a member of the association as provided for in Clause 5 of this SAC;

2.1.34 **MPBL** means the City of Cape Town Municipal Planning By-Law, 2015, published in Provincial Gazette Extraordinary 7414 of the 29th of June 2015, as amended;

2.1.35 **Occupant** means any person/s occupying an Erf, Section, Dwelling or any improvements or structures thereon;

2.1.36 **Office** means the registered office of the Association, being the physical address of the Management Company, from time to time;

2.1.37 **Ordinary Resolution** means a resolution taken at any meeting, where a quorum is present, by more than 50% (Fifty) of the Members of the Association present in that meeting, personally or by means of a proxy, and entitled to vote at such a meeting in terms of the provisions of this SAC;

2.1.38 **Owner** means the registered owner of an Erf or a Section and as such a Member or a BC-Member of a Sub-Association, as the case may be;

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2.1.39 **Parent Property** means the land approved for development by the Local Authority, being Erf 1 Sitari, City of Cape Town, Western Cape Province upon which the Estate will be developed by the Developer in terms of and subject to the Development Rights;

2.1.40 **Phase** means the respective phases of the Development listed in Clauses 2.1.58.1 to 2.1.58.13;

2.1.41 **Planning Legislation** means, collectively, the Western Cape Land Use Planning Act, Act Number 3 of 2014, the Western Cape Land Use Regulations, 2015, the MPBL and the Spatial Planning and Land Use Management Act, Act Number 16 of 2013;

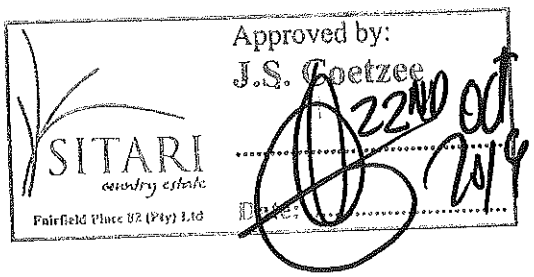
2.1.42 **Power Lines** means the electrical Power Lines servitudes registered over the Parent Property, including the servitude corridors, which Power Lines are managed and controlled by ESKOM and the Local Authority;

2.1.43 **Prime Rate** means the publicly quoted basic rate of interest, compounded monthly in arrears and calculated on a 365 (Three Hundred and Sixty Five) day year irrespective of whether or not the year is a leap year, from time to time published by Nedbank Bank Limited as being its prime overdraft rate, as certified by any representative of that bank whose appointment and designation it will not be necessary to prove;

2.1.44 **Private Open Spaces** means all the Private Open Spaces, indicated as such on the SDP, which Private Open Spaces, will be registered in the name of SCEMHOA in the Cape Town Deeds Registry and which Private Open Spaces will, as such, become the responsibility of SCEMHOA;

2.1.45 **Private Roads** means the Private Roads, indicated as such on the SDP, that will be transferred in favour of SCEMHOA in the Cape Town Deeds Registry, and will, as such, become the responsibility of SCEMHOA;

2.1.46 **Purchaser** means any person or entity that enters into an agreement of sale with the Developer in respect of an Erf or Section during the Development Period and/or during the Restriction Period, whichever date is the latest;



2.1.47 **Public Roads** means the Public Roads indicated as such on the relevant General Plan;

2.1.48 **Restriction Period** means a period of 5 (Five) years after the date that an Erf or a Section was first transferred and registered in favour of a Purchaser or a Third-Party Purchaser, as the case may be;

2.1.49 **Retail Schemes** means Erf Numbers: 557, 556 (Parking), 796, 797, 268 (Parking), 295 (Parking) and 265 (Parking) and 298 (Parking) Sitari, indicated as such on the SDP and the relevant General Plan, which Erven will be developed for retail or office purposes;

2.1.50 **SAC** means the constitution of the Association as set out in this document

2.1.51 **SCEMHOA** means the Sitari Country Estate Master Home Owners Association, an association not for gain, and of which the Association is a Member;

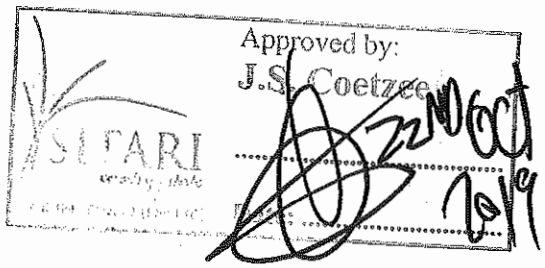
2.1.52 **Section** means any Section as defined in the Sectional Titles Act;

2.1.53 **Sectional Titles Act** means the Sectional Titles Act, Act Number 95/1986, as amended;

2.1.54 **Sectional Title Development** means the development of an Erf in terms of and subject the provisions of the Sectional Titles Act;

2.1.55 **Services** means such infrastructural utilities, amenities, internal engineering services structures or improvements to be provided and/or installed on the Parent Property by the Developer, SCEMHOA or the Local Authority, as the case may be;

2.1.56 **Special Resolution** means a resolution passed at a Special GM of which not less than 21 (Twenty One) Clear Days' notice has been given specifying the intention to propose the resolution as a Special Resolution, the terms and effect of the resolution and the reasons for it, and passed, on a show of hands, by not less than 75% (Seventy Five) of the total number of Members, present at the meeting who, at minimum, form a quorum for a GM;



2.1.57 **SPM** means all Special General Meetings held by the Association as provided for and in terms of the provisions of this SAC;

2.1.58 **Sub- Association** means any Sub-Home Owners Association comprising the Members, which Sub-Association will be a member of SCEMHOA, for the purposes of which the owners of the following Erwen and/or the Body Corporate/s established on any of the following Erwen have been grouped together:

2.1.58.1 Phase 1A: Erf Numbers: 32 – 48; 50 – 78; 92; 130 – 131; 145 – 147; 225; 236 – 238; 244 – 265; 268 – 295; 298 – 318; 353 – 402; 409 – 413; 581 – 588; 667 – 668; 670; 727 – 728; 739 – 748; 763; 796 – 797;

2.1.58.2 Phase 1B: Erf Numbers: 17 – 31; 79 – 91; 93 – 129; 133 – 144; 148 – 151; 158 – 165; 224; 589 – 666; 671 – 675; 682 – 684; 694 – 696; 715; 726; 729 – 730; 735 – 738; 761 – 762;

2.1.58.3 Phase 1C: Erf Numbers: 4 – 16; 152 – 157; 166 – 223; 226 – 235; 239 – 243; 669; 676 – 681; 685 – 693; 697 – 714; 716 – 725; 731 – 734; 760;

2.1.58.4 Phase 1D: Erf Numbers: 319 – 352; 403 – 408; 414 – 580 and 749 – 759;

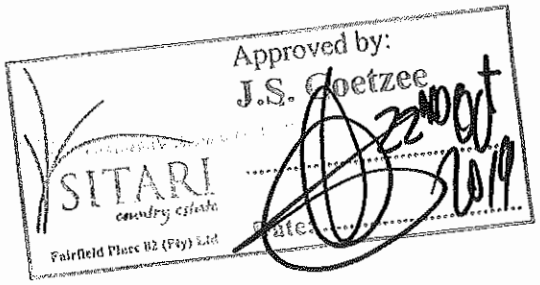
2.1.58.5 Phase 2A(i): Erf Numbers: 799 – 808; 912 – 914; 916 – 918; 1004 – 1005;

2.1.58.6 Phase 2A(ii): Erf Numbers: 809 – 911; 915; 919 – 1003; 1006 – 1010;

2.1.58.7 Phase 2B(i): Erf Numbers: 1020 – 1029; 1191 – 1193; 1196 – 1198; 1395 and 1171;

2.1.58.8 Phase 2B(ii): Erf Numbers: 1030 – 1170; 1172 – 1175;

2.1.58.9 Phase 2C: Erf Numbers: 1194 – 1195; 1396 – 1400; 1199 – 1394;



2.1.58.10 Phase 2D: Erf Numbers: 1402 – 1711;

2.1.58.11 Phase 2E: Erf Numbers: 1176 – 1184;

2.1.58.12 Phase 2F: Erf Numbers: 1185 – 1186;

2.1.58.13 Phase 2G: Erf Numbers: 791, 792, 294 and 795.

2.1.59 **Third Party Purchaser** means any person or entity that enters into an agreement of sale with a Purchaser of a Land Unit or a Section before date of registration of transfer of such an Erf or Section in favour of such a Purchaser or with an Owner during the Development Period and/or during the Restriction Period, whichever date is the latest;

2.1.60 **Trustees** means the Trustees, from time to time, of the Association;

2.1.61 **Unanimous Resolution** means a resolution passed unanimously by all the Members, who are present or represented by proxy or by a representative recognized by law at a GM of the Association of which at least 21 (Twenty One) Clear Days' notice, specifying the proposed Unanimous Resolution, has been given, and at which meeting at least 80% (Eighty) of all the Members are present or represented, or agreed to in writing by all the Members of the Association personally or by proxy or by a representative of any such Member recognized by law;

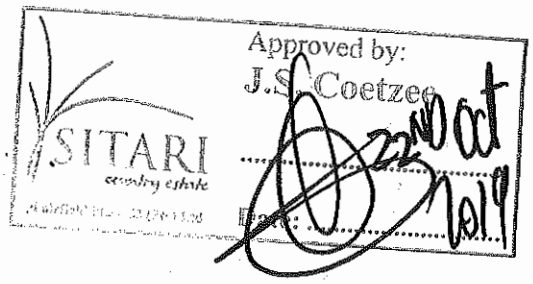
2.2 Any reference to natural persons includes artificial persons and vice versa.

2.3 Any reference to a gender includes the other genders (including neuter).

2.4 Any reference to the singular includes the plural and vice versa.

2.5 The clause heading in this SAC have been inserted for convenience only and shall not be considered in its interpretation.

2.6 Words and expressions defined in any sub-clause shall, for the purpose of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in such sub-clause.



2.7 No provision of this SAC or any related document shall be construed against or interpreted to the disadvantage of any party hereto by reason of such party having or being deemed to have structured or drafted such provision.

2.8 This SAC shall be governed by and construed and interpreted in accordance with the laws of the Republic of South Africa and the Association and every Member consent to the jurisdiction of any competent court of the Republic of South Africa, for the purposes of any proceedings instituted in connection with this SAC.

3 THE MAIN BUSINESS OF THE ASSOCIATION

3.1 The main business of the Association is to carry on the promotion, advancement and protection of the Members and BC Members as well as to manage, control and regulate the Development.

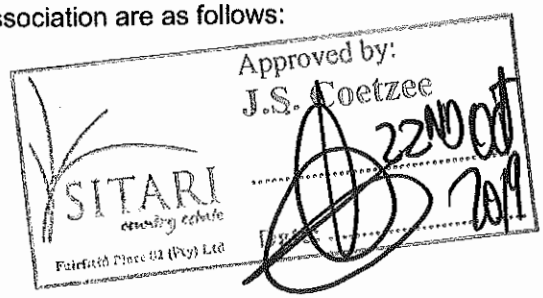
3.2 The Association will at all times be bound by the provisions of the Constitution and the SAC and must ensure that its Members and BC Members complies with all the provisions, obligations, terms and conditions of SCEMHOA, as contained in the Constitution, the SAC or any other document or approval as provided for in the Constitution or the SAC.

3.3 In the instance of any discrepancy between the Constitution, the SAC the Governing Rules, or any other document or approval as referred to in the Constitution, including any directive issued by the Developer, during the Development Period, or thereafter, by the Board of SCEMHOA, the provisions of the Constitution, the Governing Rules or any other document or approval as referred to in the Constitution, including any directive issued by the Developer, will prevail and the SAC will be deemed to be amended to accommodate the relevant discrepancy.

3.4 Any decision or act by the Association prior to the implementation of the SAC will be subject to Constitution, the Governing Rules or any other document or approval as referred to in the Constitution, including any directive issued by the Developer, during the Development Period, or thereafter, by the Board.

4 MAIN OBJECTIVES OF THE ASSOCIATION

4.1 The main objectives of the Association are as follows:



4.1.1 to oversee, regulate and control the harmonious development of the Estate as a GDP and to ensure and promote the general high standard of the Estate;

4.1.2 to promote, advance, and control the communal interests of Owners, Members, BC Members and Occupants and to be represented at meetings of SCEMHOA as provided for in the Constitution;

4.1.3 to take action including the institution of proceedings in a court of law, as may be deemed fit by the Trustees, in relation to the non-compliance by any Member/BC Member/Owner of any of the requirements of the SAC, the Constitution or the Governing Rules;

4.2 The Association shall be deemed to have come into existence on the date of the first registration of transfer of an Erf from the Developer to an Owner.

4.3 The Association is a legal persona and as such –

4.3.1 its assets, liabilities, rights and obligations shall vest in the Association independently of its Members;

4.3.2 The Association shall have perpetual succession;

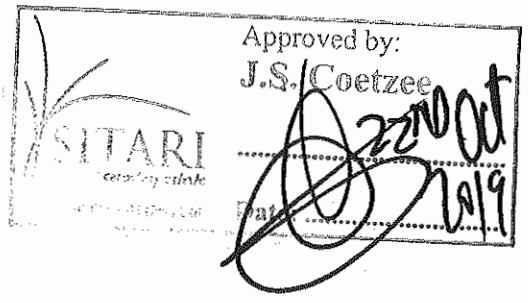
4.3.3 all legal proceedings shall be brought by or against the Association, in the name of the Association, and the Board may authorize any person/s to act on behalf of the Association and to sign all such documents and take all such steps as may be necessary in connection with any such legal proceedings; and

4.3.4 its Members shall not, by reason of their membership, be liable for the liabilities and obligations of the Association.

5 MEMBERSHIP OF THE ASSOCIATION

5.1 Membership of the Association shall be compulsory for the following:

5.1.1 the Developer, during the Development Period;



5.1.2 the Purchaser of an Erf, from the date of registration of transfer of the Erf in the Cape Town Deeds Registry; and

5.1.3 a Body Corporate, comprising the BC Members, established/or to be established on an Erf listed in Clause 2.1.58.

5.2 The Association shall *ipso facto* be and become a member of SCEMHOA upon establishment of the Sub-Association concerned and be represented at meetings of SCEMHOA by the Chairperson, or such other person as provided for in the Constitution.

5.3 The Developer shall be a Member and the Chairperson, during the Development Period.

5.4 A Sub-Association may not at any time resign as a member of the SCEMHOA.

5.5 The provisions of this SAC shall be binding upon all Members and BC Members and, insofar as they may be applicable on all Occupants, whatsoever the nature of such occupation.

5.6 Each Owner (being owners of Land Units as defined in the Constitution) will as such become a Sub-Member of SCEMHOA and will in such capacity be subject to the provisions of the Constitution in as far as it is applicable on Sub-Members.

5.7 An Owner may never and at any time whilst he is the owner of an Erf or a Section in the Development, resign as a Member or BC Member of the Sub-Association or as a Sub-Member of SCEMHOA.

5.8 All Erwen and Sections are subject to the following condition imposed by the Developer for the benefit of the Association, namely:

"The property shall not be transferred without the written consent of the Sitari Country Estate Sub-Home Owners Association 1C".

Accordingly, no Owner may apply to the Registrar of Deeds, Cape Town, for the registration of, and the Registrar of Deeds, Cape Town, may not register an Erf or Section without the consent of the Association, which consent, subject to the provisions contained in Clause 7 of this SAC, may not be unreasonably withheld.



5.9 No Owner ceasing to be a Member or a BC Member of the Association for any reason shall, (nor shall any such Owner's executor, curators, trustees or liquidators) have any claim upon or interest in the funds or other assets of the Association, but this clause shall be without prejudice to the rights of the Association to claim from such Owner or his estate any sums due from him to the Association at the time of his so ceasing to be a Member or BC Member.

6 GENERAL RIGHTS AND OBLIGATIONS OF MEMBERS/BC MEMBERS

6.1 Every Member/BC Member/Occupant shall comply with:

6.1.1 and at all times be bound by and will strictly adhere to the terms, conditions, stipulations, guidelines and obligations contained in the Constitution, the SAC, the Governing Rules, and all other rules or regulations made or promulgated by SCEMHOA, the Developer, during the Development Period or the Trustees;

6.1.2 any agreement concluded by SCEMHOA, the Developer, during the Development Period, the Association or the Trustees insofar as such agreement may directly or indirectly impose rights or obligations on a Member;

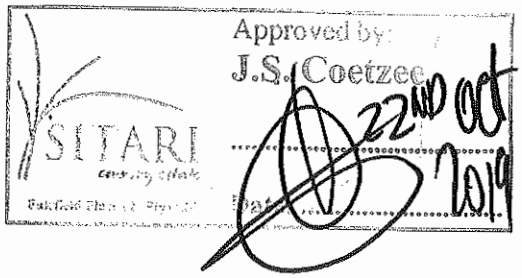
6.1.3 any directive given by SCEMHOA, the Association, the Trustees, the Developer, during the Development Period or the Management Company;

6.2 Save as may be provided for herein, the rights and obligations of a Member and a BC Member are not transferable, and every Member or BC Member shall:

6.2.1 to the best of his ability further the objectives and interests of the Association and SCEMHOA;

6.2.2 be jointly liable with the other Members for expenditure incurred in connection with the business and objectives of the Association and SCEMHOA.

6.2.3 not use any building or other structure constructed within the Estate, or allow any other person to use such building or other structure, for purposes not permitted by the Constitution, this SAC, the Governing Rules, the M&C Rules or any rules and/or regulations made in terms of the Constitution;



6.2.4 not conduct, or permit to be conducted or change the nature of, any business on a Erf or Section, or use, or permit the use of, such Erf or Section for purposes other than residential use, excluding the Institutional Erven, the Private Roads, the Private Open Spaces and/or the Communal Property unless the Developer, for the duration of the Development Period, or thereafter, the Board of SCEMHOA has in writing approved the use to which the Erf or Section 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 the Planning Legislation and other applicable laws and regulations.

6.3 Membership of the Association shall confer upon a Member, inter *alia*, the following rights, subject to the provisions of this SAC and the Constitution –

6.3.1 the right to vote at all GM's in accordance with the provisions of this SAC;

6.3.2 the right to receive notices of, attend and speak at all GM's in accordance with the provisions of this SAC;

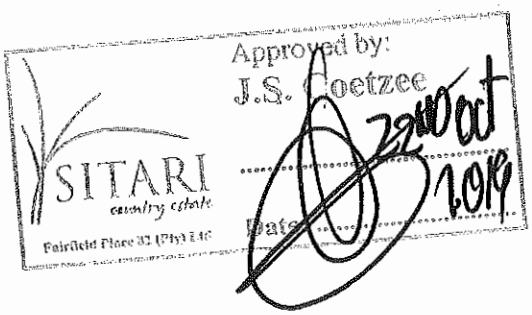
6.3.3 the right to convene a General Meeting of Members (other than an Annual General Meeting), provided that the Members holding between them, in aggregate, not less than one third of the voting rights of the Association collectively, convene such a meeting;

6.3.4 each Member will be entitled to 1 (One) vote at any meeting or GM of the Association, irrespective whether voting is conducted by means of show of hands or by means of a poll.

7 ALIENATION

7.1 The Trustees shall ensure that none of the Members shall in any manner Alienate or transfer an Erf or Section unless:

7.1.1 the proposed transferee, new shareholder of a Company, new members of a Close Corporation or new trustees of a Trust have irrevocably bound themselves in writing to become ipso facto a Member or BC Member of the Association and a Sub- Member of SCEMHOA and to observe the



Constitution, this SAC, as well as any Governing Rules applicable, as the case may be, for the duration of his ownership of any Erf or Section;

7.1.2 the Management Company has given its prior written consent thereto and has issued a clearance certificate that all amounts owing to the Association or the Developer, as the case may be, by such Owner have been paid and that the Owner is not in breach of the Constitution, this SAC, and/or any of the Governing Rules, as the case may be;

7.2 The provisions of Clause 7.1 shall apply mutatis mutandis to any Alienation or transfer of an undivided share in any Erf or Section.

7.3 Restrictions will be registered against the title deeds of all Erwen and Sections in order to give effect to the terms of this Clause 7. The Members and or BC Members shall however be bound by this clause whether or not such restrictions are registered in the Cape Town Deeds Registry, or not.

8 LEVIES

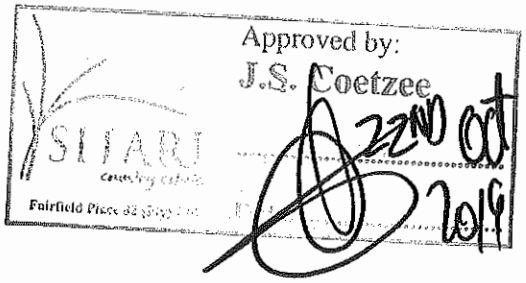
SCEMHOA shall impose Levies, and from time to time Special Levies upon the Members of the Association for the purpose of meeting all the expenses in connection with the Estate, and for the payment of all expenses necessarily or reasonably incurred in connection with the management of the Estate, SCEMHOA, the Association and its affairs as provided for in the Constitution.

9 GOVERNING RULES AND CODES OF CONDUCT

9.1 Any rules made in terms of the Constitution (including the Governing Rules and M&C Rules) shall be binding upon-

9.1.1 every Owner;

9.1.2 every Occupant within the Estate, *mutatis mutandis,* and every Owner/Occupant shall procure that all its representatives, tenants, members of the household, visitors, invitees and other persons related to that Owner/Occupant comply with the Constitution, the SAC and the Governing Rules and every Owner/Occupant acknowledges and agrees that it will be



liable for any breach or non-compliance by any of its representatives, tenants, Occupants, family members, visitors, invitees and other persons related to that Owner/Occupant.

10 TRUSTEES

10.1 There shall be a minimum of 3 (Three) and a maximum of 5 (Five) Trustees of the Association, elected or appointed from the Members.

10.2 During the Development Period and at the first AGM, the Trustees referred to in Clause 10.1 above, shall be elected by the Members, provided that the Developer shall be entitled to appoint a percentage of the Trustees in terms of the provisions of Clause 17.2 of this SAC. After the Development Period, all the Trustees, referred to in Clause 10.1 above shall be elected by the Members.

10.3 A Trustee shall be an owner of an Erf or a Chairperson of a Body Corporate. A Trustee, by accepting his appointment to office, shall be deemed to have agreed to be bound by all the provisions of this SAC.

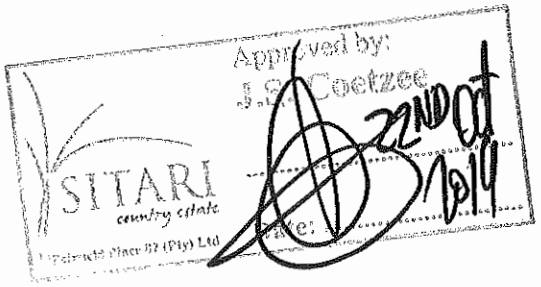
10.4 The Developer, or its representative, shall be the Chairperson during the Development Period and thereafter the Board shall appoint such a Chairperson.

10.5 A Trustee is required to:

10.5.1 perform the functions of office in good faith, honesty and in a transparent manner, and

10.5.2 at all times act in the best interests of the Association, and in such a way that the credibility and integrity of the Association and/or the Estate is not compromised in any way.

10.6 When nominated, a Trustee shall simultaneously with his nomination, declare in writing to the Board any financial interest he or his immediate family or business associates may have in respect of any contract, deliberations or other transactions with the Association or SCEMHOA.



10.7 No Member may be nominated to become a Trustee, or if already elected, vote during meetings, if his Erf or any improvements thereon do not comply with the provisions of the Constitution, or if his Levy payments are in arear.

10.8 Each Trustee must declare to the Board any gifts, which he or his immediate family might be offered, or receive, from any business and or person involved or endeavouring to become involved, in any contract with financial gain with the Association or SCEMHOA.

10.9 A Trustee may not, without the permission of the Board, disclose any privileged or confidential information to any person not authorised or entitled to receive same.

10.10 A Trustee may not, except through the Chairperson of the Trustees and/or the Board:

10.10.1 interfere in the management or administration of the Estate, unless mandated by the Board;

10.10.2 give or purport to give any instruction to any employee other than the Management Company;

10.10.3 obstruct or attempt to obstruct the Management Company or any of the employees of the Association in the implementation of any decision or resolution of the Board, or

10.10.4 encourage or participate in any conduct which would cause or contribute to maladministration by the Board.

10.11 The Board may at any time and from time to time investigate and make a finding in respect of any alleged breach by a Trustee(s) of any of the provisions of this SAC or the Governing Rules or any other rules or regulations made or promulgated by the Association or the Board or establish a special committee to investigate and make appropriate recommendations to the Board in this respect.

10.12 Should the Board find that a Trustee has breached any provision of this SAC or any of the rules or regulations aforesaid or has been found to be negligent is any of the duties assigned to him in his capacity as a Trustee or has reasonable grounds to suspect that a



Trustee was or is involved in any form of theft or fraud regarding any funds of the Association, the Board may:

10.12.1 issue a formal warning to the Trustee concerned;

10.12.2 reprimand the Trustee;

10.12.3 suspend the Trustee;

10.12.4 suspend the Trustee pending the outcome of a forensic audit in the instance of any suspected theft or fraud, or

10.12.5 request the Trustee to resign, or

10.12.6 request the Association to remove the Trustee from the Board.

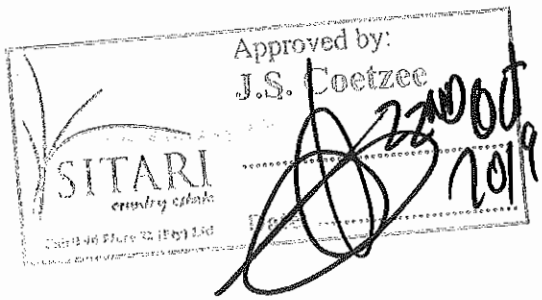
10.13 After the Development Period, a Member may only be elected as a Trustee if he has received formal training to enable to act as a Trustee. This qualification must be endorsed by the Management Company and must be submitted simultaneously with the nomination of the relevant Member prior to his anticipated election.

11 CHAIRPERSON

11.1 For the duration of the Development Period, the Chairperson shall be the Developer, or its representative.

11.2 After the Development period, the Board shall within 14 (Fourteen) days of each AGM, appoint a Chairperson, who shall hold office until the next AGM, provided that the office of Chairperson shall ipso facto be vacated by an officer holding such office upon his ceasing to be an officer for any reason, in which event the Board shall immediately appoint an alternative Chairperson.

11.3 Except as otherwise provided in this SAC, the Chairperson shall preside at all meetings of the Board and at all GM's, and, in the event of the Chairperson not being present within 15 (Fifteen) minutes of the scheduled meeting time, or in the event of his inability or unwillingness to act, any one of the remaining Trustees shall preside in his stead. Should the Chairperson at any stage be absent at 2 (Two) consecutive meetings, the



Board and/or the Management Company may terminate the services of the Chairperson with immediate effect.

12 REMOVAL AND ROTATION OF TRUSTEES

12.1 After the Development Period, save as set out in Clause 12.2, each Trustee shall hold office as such from the date of his appointment until the next AGM following his appointment, or, at his discretion, until the second AGM following his appointment at which AGM each Trustee shall be deemed to have retired from office, but shall be eligible for re-election as a Trustee.

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

12.2.1 should he become disqualified to act as a director of a company in terms of the Companies Act;

12.2.2 should he be removed from office by a resolution of the Board;

12.2.3 should his estate be sequestrated whether provisionally or finally;

12.2.4 on his conviction of any offence involving dishonesty;

12.2.5 on the commission by him of any act of insolvency;

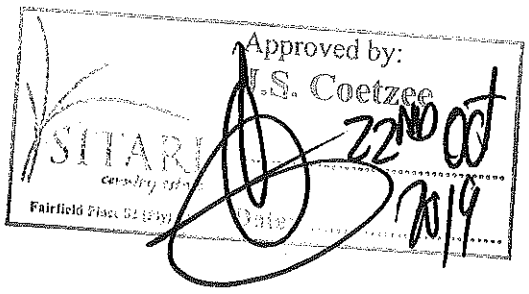
12.2.6 should he become of unsound mind or being found to be a lunatic;

12.2.7 on his resignation from such office in writing.

12.3 Upon any vacancy occurring in the Board prior to the next AGM, a Member of the Association shall fill the vacancy in question nominated by the Trustees of the relevant Association, or by another Trustee nominated by the Developer if this event occurs during the Development Period.

13 TRUSTEES EXPENSES AND REMUNERATION

The Trustees shall be not entitled to be repaid any costs or expenses incurred by them in or about the performance of their duties as Trustees.



14 POWERS OF THE BOARD

14.1 Subject to the provisions of this SAC and subject to any limitations which may be imposed by the Association in a GM, the Board shall have full powers to perform the functions allocated to them in this SAC and may exercise all such powers of the Association and do all acts on behalf of the Association as may be exercised and done by the Association itself with regard thereto.

14.2 The Developer, during the Development Period, and thereafter, the Board is empowered to sign, execute and to enter into on behalf of the Association all and any contracts as may be required to give effect to the provisions of this SAC, including, but subject to the provisions of Clause 16.2, the appointment of a Management Company, and is empowered to delegate the management of the affairs and the business of the Association, whether in whole or in part, to such Management Company.

14.3 The Board shall have the right to vary, cancel or modify their decisions and resolutions from time to time.

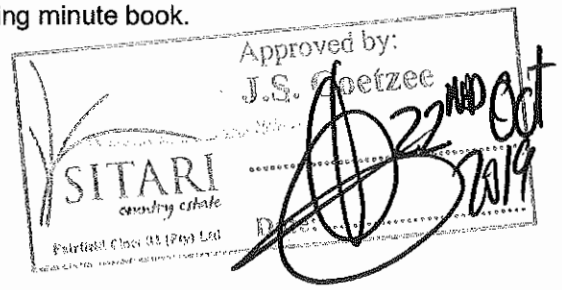
15 PROCEEDINGS OF TRUSTEES

15.1 The Trustees may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, subject to any provisions of this SAC.

15.2 The quorum necessary for the holding of all Board meetings, after the Development Period, shall be 2 (Two) if there are 3 (Three) Trustees in office or 3 (Three) if there are 4 (Four) of 5 (Five) Trustees in office, present personally, and no meeting shall be held unless such quorum is present at the commencement of and for the duration of the meeting.

15.3 Any resolution of the Board shall be taken by Ordinary Resolution. In the case of an equality of votes for or against a resolution, the Chairperson shall have a second casting vote.

15.4 The Board shall cause minutes to be kept of every Board meeting, which minutes shall without undue delay after the meeting has closed, be reduced to writing and certified correct by the Chairperson. All minutes of Board meetings shall, after certification, be placed in a Board meeting minute book.



15.5 Any resolution signed by all the Trustees shall be valid in all respects as if it has been duly passed at a Board meeting.

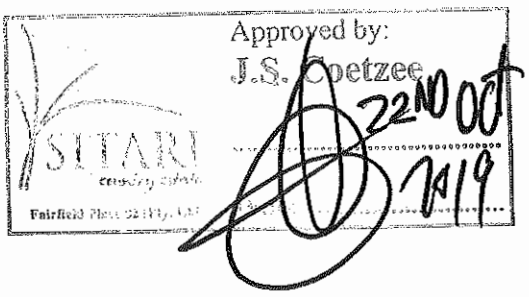
16 MANAGEMENT COMPANY

16.1 The Developer shall be entitled (but not obliged, and at their own discretion) to manage, or to appoint a Management Company for the Association, during the Development Period, which appointment shall be valid and binding on the Association during the Development Period and for a period of 10 (Ten) years after the termination of the Development Period. For the avoidance of doubt, it is recorded that only one Management Company may be appointed for the whole of the Estate irrespective of whether such appointment is made during the Development Period, or thereafter.

16.2 During the Development Period, the Developer has the irrevocable power and authority to appoint the Management Company of the Estate during the aforesaid period and to determine the terms and conditions of such appointment.

16.3 Subject to the provisions of this SAC and the terms of its appointment, the Management Company shall have full power to manage and control the business and affairs of the Association or such portion thereof as may be determined by the Association in a General Meeting and may exercise all such powers of the Association and do all acts on behalf of the Association itself.

16.4 After the Development Period plus the additional period of 10 (Ten) years as provided for in Clause 16.1 of this SAC, and in the event that an existing Management Company's appointment is terminated, a successor Management Company shall from time to time be appointed by the Association in a GM and the Members shall determine the fees or remuneration to be paid by the Association to such Management Company and all the other terms and conditions of their appointment, it being contemplated that at all times the affairs of the Association will be entrusted in whole or part to a professional Management Company with appropriate executive powers so as to conform to the requirements of good corporate governance. The Board will, at the final termination date of the agreement regarding the appointment of the Management Company, use best endeavors to negotiate a further extension of the appointment of the Management Company.



17 MEETINGS OF THE ASSOCIATION

17.1 Notwithstanding the provisions hereof, the Developer must convene the first AGM within 60 (Sixty) days of the transfer of 60% (Sixty) of the Erwen arising from the subdivision of the relevant Phase or within a period of 2 (two) Years of the transfer of the first Erwen in the relevant Phase, whichever is the earlier. The Developer must, within 60 (Sixty) days after the first AGM, notify the Local Authority that the meeting was held and provide the Local Authority with a copy of the minutes of the meeting.

17.2 Notwithstanding any of the provisions hereof, the Developer shall, during the Development Period, be entitled at any GM to:

17.2.1 a number of votes double to the total number of votes of all the other Members of the Association, and

17.2.2 appoint a sufficient number of Trustees to ensure that the Developer has majority of such Trustees at all times, and

17.2.3 act as the Chairperson.

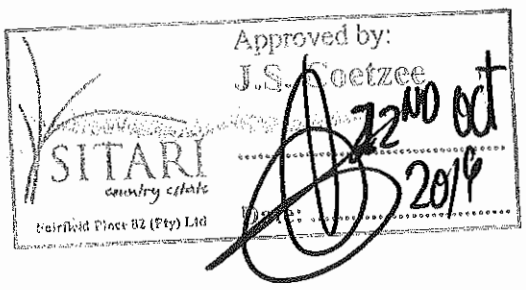
17.3 After the Development Period, the following provisions shall apply:

17.3.1 The Association shall within 6 (Six) months after the end of its Financial Year (at least one AGM per year) hold a GM as its AGM in addition to any other GM's during that year and shall specify the meeting as such in the notices of meeting.

17.3.2 GM's shall be held at such time and place as the Board shall decide from time to time.

17.3.3 All meetings including any AGM and the SGM, shall be called GM's.

17.3.4 The Board may, whenever they deem fit, convene a GM. A GM may also be convened by the Board on a requisition made by the Members.



18 NOTICES OF MEETINGS

18.1 An AGM shall be called by not less than 21 (Twenty-One) Clear Days' notice in writing and any other GM shall be called by not less than 14 (Fourteen) Clear Days' notice in writing. The notice of an AGM shall be given to all Members and shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting. A meeting called by shorter notice shall be deemed to have been duly called if it so agreed by an Ordinary Resolution of the Members having the right to attend and to vote at the relevant meeting.

18.2 The accidental omission to give notice of any resolution or to transmit any document required to be given or sent in terms of this SAC, shall not invalidate the proceedings of any meeting or any resolution passed at any meeting. Furthermore, the non-receipt of notice of a meeting by any Member entitled to receive such notice shall not invalidate the proceedings at that meeting. It is the responsibility of each member to ensure that he has received all the documents relevant to the GM to be held.

18.3 The AGM shall deal with the consideration of the Management Company's report, the election of Trustees, and may deal with any other business included in the notice of meeting.

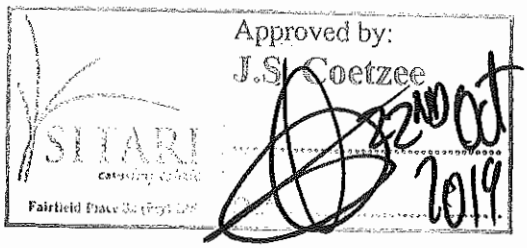
19 PROXIES

19.1 A Member may be represented at a GM by a proxy, who must himself be a Member or a trustee of a Body Corporate.

19.2 To be effective at a GM or adjourned GM, a proxy together with the original or a notarially certified copy of a power of attorney or other authority under which it is signed must be lodged with the Management Company at least 48 (Fourty Eight) hours before the commencement of the GM or adjourned GM concerned but the Board may from time to time determine that such documents:

19.2.1 are to be lodged at a particular place;

19.2.2 are to be lodged a certain number of hours, not exceeding 48 (Forty-Eight) in all, before the meeting.



19.3 A proxy will be valid for the specific GM it was granted and not for any other meeting, including an adjourned GM.

19.4 The instrument appointing a proxy shall be in such form that is acceptable to the Chairperson of the GM or adjourned GM in respect of which it is tendered and the decision of the Chairperson as to what is or is not acceptable will be binding on all the Members.

20 QUORUM

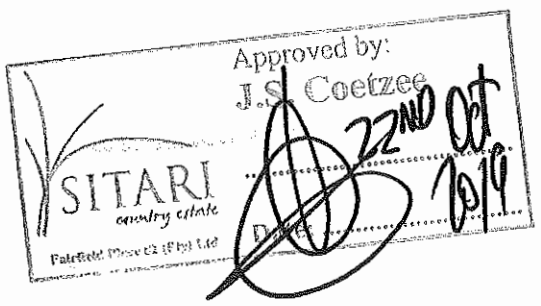
20.1 No business shall be transacted at a GM unless a quorum is present both when the GM proceeds to business and when any resolution is to be passed. Save as otherwise provided in this SAC, 50% (Fifty) of the Members, other than the Developer present in person, or by proxy, shall constitute a quorum provided that at least 3 (Three) Members are present in person at the commencement of and for the duration of such a GM.

20.2 If within 15 (Fifteen) minutes after the time appointed for the commencement of a GM, or within such extended period as the Chairperson may allow, a quorum is not present, the GM shall stand adjourned to the same place at the same time on the same day of the next week or to such other place, time and day as the Chairperson may determine. If a quorum is not present at such adjourned GM, the Members present shall constitute a quorum.

21 ADJOURNMENT BY CHAIRPERSON

21.1 The Chairperson of a GM may adjourn the meeting from time to time and from place to place if the meeting approves of each adjournment by Ordinary Resolution. In the event of such an adjournment:

21.1.1 no notice needs be given of the adjourned meeting save for an announcement at the original 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;



21.1.2 only business left uncompleted at the original meeting may be transacted at the adjourned meeting.

22 VOTING RIGHTS OF MEMBERS

22.1 Only Members shall be entitled to vote on matters raised at GM's.

22.2 At every GM:

22.2.1 each Member, present in person or by proxy and entitled to vote, shall have 1 (One) vote;

22.2.2 during the Development Period the Developer shall as Member be entitled to a number of votes double to the total number of votes of all the other Members of the Association.

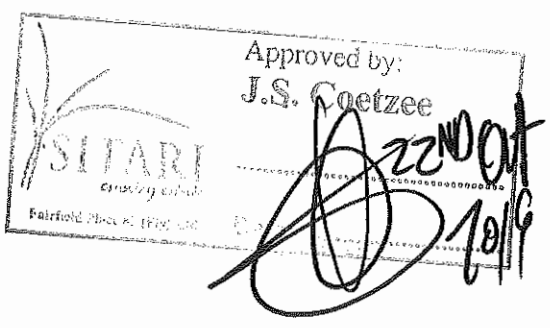
22.3 Save as provided in this SAC, no person other than a Member duly registered and who shall have paid every Levy, Special Levy and other amount, if any, which may be due and payable to SCEMHOA in respect of or arising out of his membership, and who is not suspended, shall be entitled to be present or to vote on a matter, either personally or by proxy at any GM.

22.4 Voting at GM's shall take place by way of a show of hands unless on or before the declaration of the result of the show of hands a poll is demanded by the Chairperson. If a poll is demanded it shall be taken in such a manner as the Chairperson may direct.

22.5 Subject to the provision of this SAC, all resolutions at all GM's shall be passed by Ordinary Resolution.

22.6 If any difficulty or dispute arises regarding the admission or rejection of a vote or regarding any other matter, such difficulty or dispute is to be determined by the Chairperson whether or not scrutinizers might have been appointed to count the votes, and his decision shall be final and conclusive.

22.7 A vote cast under a proxy, power of attorney, or other authority which has been revoked shall nevertheless be valid unless:



22.7.1 written notice of the revocation is received by the Association prior to the meeting concerned, or

22.7.2 the Chairperson agrees to accept written or oral notice of such revocation at the meeting.

22.8 No objection shall be raised to the admissibility of any vote except at the meeting or adjournment meeting at which the vote objected to, is casted and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

22.9 A declaration made in good faith by the Chairperson of a meeting to the effect that, either on a show of hands or on a poll, a resolution has or has not been passed shall be final and conclusive and the resolution shall be deemed to have been so passed or not passed.

22.10 Any resolution which could be passed at a GM, other than a Special Resolution or a resolution to remove a Trustee, may be passed without a GM being held if one or more copies of the resolution are signed by or on behalf of a simple majority of all the Members entitled to vote at a GM.

23 SERVICE OF NOTICES

23.1 Notices may be given by the Association to any Member either at the address indicated by him, or by sending it by post in a prepaid letter addressed to such Member at the address (if any) within the Republic of South Africa supplied by him to the Association for the giving of notices to him.

23.2 Notice of every GM shall be given to every Member of the Association.

23.3 No other person shall be entitled to receive a notice of General Meetings.

23.4 Any notice given in terms of this SAC shall be in writing and shall:

23.4.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;



23.4.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 8th day following the date of such posting;

23.4.3 if transmitted by e-mail be deemed to have been received by the addressee on the day following the date of the e-mail, unless the contrary is proved.

23.5 Notwithstanding anything to the contrary contained or implied in this SAC, a written notice or communication actually received by an addressee, including by way of e-mail transmission, shall be adequate written notice or communication to such party.

23.6 Any notice by post shall be deemed to have been served at the time when it was posted, and in proving the giving of the notice by post, it shall be sufficient to prove that the notice was properly addressed and posted to the last known address of the Member.

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

23.8 When a given number of days' notice or notice extending over any other period is required to be given, the day on which it is served or deemed to be served and the day for which it is given shall not be counted in such number of days or period.

24 INDEMNITY

24.1 The Developer, the Trustees, the Management Company and each servant, agent or employee of the Association shall be and they are hereby indemnified by the Association against any liabilities *bona fide* incurred by them in their respective capacities in the proper discharge of any of their duties including, without limitation, the costs of defending any proceedings, civil, criminal or otherwise arising out of the due execution by them of their duties, and including all costs, losses and expenses, including traveling expenses which they or any of them may incur or becomes liable for by reason of any contract entered into, or any act or deed done, by them in the due discharge of any of their respective duties.

24.2 A Trustee or the Developer shall not be liable for the act or omission of the Management Company, or of any of the other Trustees whether in their capacity as such or as Chairperson, or for any loss or expense sustained or incurred by the Association occasioned by any bona fide error of judgement or oversight on his part, of for any loss,

Approved by:
J.S. Coetzee
22nd Oct 2019

damage or misfortune of whatsoever nature occurring in the execution of his duties in relation thereto, unless same shall have occurred as a result of mala fides, breach of duty or breach of trust.

24.3 The Developer is irrevocably indemnified against any loss or any possible damages or claim for damages that the Association, Member, BC Member, or Occupant, guest or visitor of any Owner or Occupant may suffer as a result of any installation of any Service or facility, including all water bodies (fenced or unfenced), the Wetland and the Power Lines on the Estate or any act or conduct by the Developer in the exercising of the Development Rights, whether that such damage was caused by any willful of negligent act of the Developer.

24.4 Any person using any of the Services or any other facilities or amenities of the Association within the Estate, does so entirely at his own risk.

24.5 The right of admission to the Estate is reserved in favour of the Developer and/or the Association, as the case may be.

25 DETERMINATION OF DISPUTES

25.1 Any disputes arising out of or in connection with the Constitution must be determined in accordance with this Clause 25, except where an interdict is sought for urgent relief which may be obtained from a court of competent jurisdiction.

25.2 On a dispute arising (not moneys or a debt to the Association), the parties who wishes to have the dispute determined must notify the other party thereof. Unless the dispute is resolved amongst the parties to that dispute within 14 (Fourteen) days after such notice, either of the parties to the dispute may refer the same to determination in terms of the following provisions of this Clause 25.

25.3 Where a dispute or difference arises out of the application of this SAC, the Member and the Association shall use their best endeavours and efforts to resolve the matter through mutual consultation amongst themselves. If following the efforts by the parties to resolve the matter internally, the dispute remain unresolved, then it will be referred to CSOS.

25.4 Notwithstanding anything to the contrary contained in this Constitution, the Trustees shall be entitled to institute legal proceedings of whatsoever nature on behalf of the

Approved by:
J.S. Coetzee
SITARI country estate
Fairfield Place (Pty) Ltd
32ND Oct 2016

Association by way of application, action or otherwise in any court having jurisdiction for any purpose whatsoever relating to any matter in respect of any of the provisions of this Constitution and any of its annexure, including any amendments of additions thereto

26 CONDITIONS IMPOSED BY LOCAL AUTHORITY

26.1 During the Development Period, this SAC may from time to time be amended, without the need to be approved by the Association in GM, so as to comply with the requirements from time to time of the Local Authority in relation to the conditions of establishment for the development.

26.2 The Developer and every Member or Sub-Member must at all times, during and after the establishment of the development, conform to the Development Controls as provided for in the Constitution.

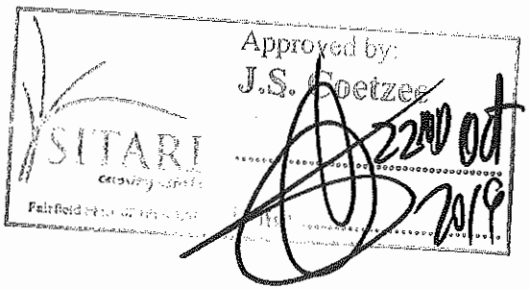
27 AMENDMENT OF SAC

27.1 During the Development Period, the Developer may without the approval of the Members of the Association, amend, substitute and repeal any provision of this SAC with the approval of the Local Authority. Any such amendments as contemplated herein will only be communicated by the Developer to the Management Company and the Developer will therefore not be obliged to communicate these changes to the Members.

27.2 No provision of this SAC shall be added to, amended, substituted or repealed without the prior written consent of the Developer for the duration of the Development Period.

27.3 Subject to the provisions of Clauses 26.1 and 27.2 above and after the Development Period, any such addition, amendment, substitution or repeal shall require the approval of at least an Unanimous Resolution given at a GM specifically called for such purpose, and the notice of such meeting shall, in addition to complying with the other requirements of this SAC, set out in specific terms the proposed addition, amendment, substitution or matter to be repealed. Any provision in the best interest of the Estate or the Members may never be deleted from the SAC.

27.4 Any reference herein to this SAC shall mean and include a reference to this SAC as may from time to time be amended in accordance with the provisions of Clauses 26 and 27.



27.5 Any amendment of this SAC, in terms of Clauses 26 and 27 of this SAC, will only become effective once certified by the Local Authority in terms of Sections 62 (2) and (4) of the MPBL.

27.6 The certified copy of the SAC is deemed to be the SAC of the Association.

27.7 In terms of Section 62(7) of the MPBL, the Local Authority is exempted from liability for any damage which may be caused by its certification of the SAC or any amendment thereof or by a loss of the SAC lodged with the Local Authority.

27.8 If the Association fails to meet any financial obligation or if the Association fails to control and manage the Communal Areas, the services or amenities under the Association's control for the benefit of the Members, and the Local Authority believes that the Members are adversely affected by the failure, the Local Authority may take appropriate action to rectify the failure. The Local Authority may recover any expenditure in respect thereof from the Association or the Members, who are jointly liable. This expenditure will be considered as part of the Levies of Special Levies.

27.9 If the Association fails to meet any obligations in this SAC and the Local Authority believes that the community is adversely affected by the failure, the Local Authority may take appropriate action to rectify the failure. In this instance, the following terms and conditions will prevail:

27.9.1 The Local Authority may recover any expenditure in respect of the action contemplated above from the Association or its Members, who are jointly liable;

27.9.2 The amount of any expenditure so recovered will be considered to be expenditure incurred in connection with the Association for the purposes of recovering expenditure incurred in connection with the Association from its Members;

27.9.3 If the Association ceases to function effectively or to carry out its obligations, the Local Authority may give the Association a binding instruction to:

27.9.3.1 Hold a meeting and to reconstitute itself, or

SITARI country estate
Fairfield Place 82 (Pty) Ltd
Approved by:
J.S. Coetzee
Date: 22ND Oct 2019

27.9.3.2 Dissolve itself, subject to the amendment of the conditions of approval relating to an obligation to establish an owner's association.

27.10 In determining whether to act in terms of Clause 27.9.3.1 or 27.9.3.2 the Local Authority must have regard to:

27.10.1 The purpose of the Association;

27.10.2 The taking over of the maintenance of the internal engineering services, the Services and other obligations which the Association is responsible for, if at all;

27.10.3 The costs of upgrading the internal engineering services, the Services and other infrastructure of the Development in general;

27.10.4 The impact of the dissolution on the Members and the community in general;

27.10.5 Any written representations from the Association or its Members.

27.10.6 If the Association is dissolved, the Members must jointly pay the costs of:

27.10.6.1 The transfer to the Local Authority of the Communal Property;

27.10.6.2 The upgrading of the internal engineering services to meet the required standards of the Local Authority.

27.11 In the event that the Association has ceased to function, and an Owner wishes to transfer a Land unit in that event, the Owner must obtain the consent of at least 60% (Sixty Percent) of the Members of the Association, which consent is deemed to be the consent of the Association.

28 GENERAL

28.1 The Trustees, the trustees of SCEMHOA or the Management Company or their employees, agents or contractors shall be entitled and shall have the right to enter any Erf or Section for the purpose of repairing, maintaining or installing any facilities, Services, equipment or structures relating to the provision of security or any other



service to the Estate generally, provided, that they have complied with the Access Procedure.

28.2 The Developer may at any time, during the Development Period, in writing, cede delegate and/or assign all or any of its rights or obligations in terms of this SAC to any transferee of its choice and such transferee shall be entitled to take cession/delegation of all such rights and obligations.

28.3 During the Development Period, the Developer may, at any time in writing, abandon in whole or in part, any of its rights which it is entitled to in terms of this SAC, in which event the abandoned rights of the Developer will cease and vest in the Association, the Board or the Members, as the case may be.

28.4 The centerline of any common boundary wall between of any of the Erven, will be the common boundary between the relevant Erven and must be split 50/50 between the adjacent Erven. The common boundary wall must be constructed by the Owner who first commences with construction of a Dwelling on his Erf and he must be reimbursed 50% (Fifty) of the construction costs of the common boundary wall by Owner who commences afterwards with construction of his Dwelling.

28.5 Should a Member/Owner obtain permission from the Developer, during the Development period, and thereafter by the Board, to consolidate two or more Erfs, no construction of any kind and/or any improvements may be done over the common boundary lines of the original Erven (the original building lines and servitudes as per the U&D Guidelines will apply).

29 RESTRICTION ON TRANSFER

29.1 No Alienation or transfer in respect of any Erf or Section may be effected unless the Association has granted its consent to such transfer, evidenced by a Levy Clearance Certificate issued by the Management Company on behalf of the Association.

29.2 The Association may withhold the issue of a levy Clearance Certificate if:

29.3 Any Levies or other monies due in respect of such a Land Unit have not been paid or remains unpaid or inadequate provision has been made in respect of the payment thereof; or



29.4 Any building additions exist in respect of a Land Unit, which have not been property authorized and registered in terms of the Constitution, the A&D Guidelines or the Governing Rules; or

29.5 If the Owner of the Land Unit is substantially in breach of the provisions of the Sectional Titles Act, the STSMA, the Constitution, the SAC, the Governing Rules of the A&D Guidelines; or

29.6 The Developer, during the Development Period, and thereafter the Board, do not approve the Occupants of a Land Unit as nominated by the Owner.

30 AGREEMENTS CONCLUDED ON BEHALF OF THE ASSOCIATION

30.1 It is recorded that the Developer will be allowed to enter into agreements and appoint any service provider on behalf of the Association for a period, to be in a discretion of the Developer, which agreements and/or appointments will be automatically effective on the Association and its Members before or after the Development Period, provided that such service provider fulfill all its obligations and all the other terms and conditions of the agreement thus concluded.

30.2 It is recorded that the Members will be bound by all contracts concluded by the Developer for the leasing or purchase of all equipment or infrastructural assets, or for the provision of security for the Estate, or for the provision of any other service or supplies for the Estate which the Developer may consider necessary in its discretion, even where such contracts or commitments include the payment of costs or outgoings on an ongoing basis. It is recorded, without limitation, that the Developer intend to conclude contracts, inter alia, but not limited to, for the hire or supply of electronic surveillance, monitoring and detection equipment for security purposes relating to the perimeter of the Estate.

30.3 No business of a Property Sales Agent/Agency or Property Letting Agent/Agency, may ever be conducted from any Erf or Section, including the Institutional Erven, save for such Agencies appointed by the Developer during the Development Period, which appointments may be binding on the Association for an indefinite period of time, in the sole and absolute discretion of the Developer. The conditions of appointment will be stipulated in the Governing Rules and may only be amended by means of a Unanimous Resolution.

Approved by:
J.S. Coetzee
SITARI
22/10/2016

31 BREACH AND PENALTIES

31.1 If any Owner or Occupant contravening any of the terms and conditions of the Constitution, this SAC and/or the Governing Rules, the matter will be dealt with as provided for in Clause 34 (Breach and Penalties) of the Constitution.

31.2 Should the Board or Management Company institute legal proceedings against any Member, BC Member or Occupant for the enforcement of any of the rights of the Association in terms hereof, the Association shall be entitled to recover all legal costs so incurred from the Member, BC Member or Occupant concerned, calculated as between attorney and own client, including tracing fees and collection commission.

32 RIGHTS OF REGISTERED MORTGAGEES

32.1 No Loan Agreements may be entered into by the Association or any Body Corporate unless notification is given and notice by the respective Mortgagees.

32.2 No Application may be made to the High Court for the appointment of an Administrator of SCEMHOA, the Association or any Body Corporate unless notification is given and notice by the respective Mortgagees.

32.3 The Association hereby irrevocably waives, in favour of any Mortgagee, any rights or restrictive conditions registered in the title deed of any Erf or Section in its favour, in the instance of foreclosure procedures being instituted by the relevant Mortgagee against any such an Owner.

32.4 The Developer irrevocably waives, in favour of any Mortgagee, any rights to the Restriction Period registered in the title deed of any Erf or Section in its favour, in the instance of foreclosure procedures being instituted by the relevant Mortgagee against any such an Owner.

