



HEV / HOA

MEMORANDUM OF INCORPORATION

CONDUCT OF RULES

Adopted at the AGM on 27 July 2017

E.Y. Stuart Inc. Attorneys Reg No: 1999/022245/21
COR 15 registration - 8 January 2018



MEMORANDUM OF INCORPORATION

of

ELDOPARK HOME OWNERS ASSOCIATION (NPC) Registration Number : 1995/009268/08

(which is referred to in the rest of this Memorandum of Incorporation as "**the Company**")

A) OBJECTS AND POWERS OF THE COMPANY:

The **Company** is a Non-Profit Company with members, with the following objects:

1. The main object of the **Company** is to protect and advance the communal interest of **Members**, occupants and other users of any of the properties (or any portion or sub-division thereof or any **Unit** thereof), comprising the **Township**, as are more fully defined in this Memorandum of Incorporation, hereunder.

The "**Township**" means the property comprising the Eldopark Estate.

2. It is the main business of the **Company**, ancillary to the main object, to:-
 - 2.1 manage, control, and administer, on behalf of its **Members**, the **Common Property** which may include, and where required and necessary, all electric, water, reticulation services, sewerage systems, storm water systems, roads, telecommunication and intercom systems and security within the **Township**; and
 - 2.2 formulate rules for the control of buildings, walling, fencing, exterior, lighting, signage, landscaping and to ensure compliance with such rules by the **Members**;
 - 2.3 ensure that **Members** comply with the Township Establishment Conditions, building restrictions and requirements and, where necessary, to ensure that the Local Authority enforces such conditions, restrictions or requirements.

- 2.4 formulate and implement rules relating to security, landscaping, vegetation, parking, road use, signage and advertising, exterior finishes of buildings, fencing or walling;
- 2.5 make and enforce rules concerning design, landscaping, ecological planning and any building activities;
- 2.6 ensure that members maintain their **Units** in a clean and tidy condition;
- 2.7 consent to consolidation, sub-division or re-zoning of any **Unit(s)** and to impose such conditions relating to any landscaping and aesthetic appearance, as they may deem fit;
- 2.8 control access to and from the **Township**;
- 2.9 collect **Levies** and contributions towards funds of the **Company** for the attainment of the objects of the **Company**, to promote and maintain any business or enterprise of the **Company**; and
- 2.10 create rules and regulations concerning the conduct, rights and obligations of **Members** and the use of **Common Property** and **Units** within the **Township** and to ensure that the terms, conditions and obligations as are imposed in this Memorandum of Incorporation, are enforced equally upon all **Members** and are adhered to for the benefit of the **Members** as a whole and subject to such restrictions and/or conditions, restrictions and/or powers as may be imposed by the **Members** upon the **Directors**, in General Meetings, on the basis that all **Members** shall have equal rights and obligations;
- 2.11 in general, to do all things necessary for the furtherance and promotion of any of the objects of the **Company** and/or for the better management of the affairs of the Company and/or for the advancement of the interests of members and/or residents in the **Township**;
- 2.12 to enforce any Rules made.

B) ADOPTION OF MEMORANDUM OF INCORPORATION:

This Memorandum of Incorporation was adopted by Special Resolution of the **Members** in General Meeting, as evidenced by **Annexure "A"** attached hereto.

C) DEFINITIONS:

- (a) In this Memorandum of Incorporation –
 - (i) a reference to a section by number refers to the corresponding section of the Companies Act 71 of, 2008;
 - (ii) any word or expression which is defined in the **Act** and which is not otherwise defined in the **MOI** shall have the meaning assigned thereto in the Act as in force at the date of incorporation of the **Company**;
 - (iii) a reference to any Act shall include any amendment thereto or Act in substitution thereof;
 - (iv) the headings to the clauses in this Memorandum of Incorporation are for reference purposes only and shall not be taken into account in the interpretation of the provisions in this Memorandum of Incorporation;
- (b) The Schedule 1 Rules attached to this Memorandum are part of the Memorandum of Incorporation.
- (c) Unless the context otherwise requires, any words importing:-
 - (i) the singular number, shall include the plural number and *vice versa*;
 - (ii) the one gender shall include the other two genders; and
 - (iii) persons shall include partnerships, trusts and corporate bodies, and *vice versa*.
- (d) Reference to the **MOI** means this **Memorandum of Incorporation**, including all schedules and annexures hereto.
- (e) The following words, expressions and abbreviations shall have the meanings hereinafter assigned to them:
 - (i) **“the Act”** : Means the Companies Act, 71 of 2008 ;
 - (ii) **“Auditors”** : Means the **Company’s** appointed Auditors from time to time;

- (iii) **“Authorized representative”** : Means a person duly authorized by a Company or other legal entity, to act as its representative at any General Meeting of the **Company**;
- (iv) **“Board”** : Means the **Board of Directors** of the **Company** from time to time;
- (v) **“Business day”** : When, in this **Memorandum of Incorporation**, a particular number of ‘business days’ is provided for between the happening of one event and another, the number of days must be calculated by:
- (a) excluding the day on which the first such event occurs;
- (b) including the day on or by which the second event is to occur; and
- (c) excluding any public holiday, Saturday or Sunday that falls on or between the days contemplated in paragraphs (a) and (b), respectively;
- (vi) **“Chairman”** : Means the **Chairman** of the **Board of Directors**, elected in accordance with this Memorandum of Incorporation, or if that expression is used with reference to a General Meeting or meeting of the **Directors** at which that person is not present or does not act as **Chairman**, the person acting as **Chairman** in accordance with the provisions of this Memorandum of Incorporation;
- (vii) **“Common Property”** : Refers to the **Common Property Areas** in the **Township**, including all the infrastructure, amenities and equipment of any nature,

developed and/or installed on the **Common Property Areas** and within servitude areas registered in favour of the **Company**, that are owned by the **Company** and for which the **Company** bears the responsibility to maintain, and may include, but not limited thereto, the streets, streetscapes, pavements, fencing, security fencing and systems, entrance gate, electrical reticulation, sewerage reticulation, storm water reticulation and any equipment or amenities used ancillary to such **Common Property Areas**, including gardens and buildings;

- (viii) **“Common Property Areas”** : Means all those areas transferred to or registered in the name of the **Company** and located in the **Township** or those areas within the **Township**, excluding the **Units**;
- (ix) **“Company”** : Means the Eldopark Home Owners Association (NPC), Registration No.: 1995/009268/08;
- (x) **“Directors”** : Means the **Directors** of the **Company** who shall, for the purposes of the **Act**, be the **Directors** of the **Company** appointed or elected in accordance with the provisions of this Memorandum of Incorporation;
- (xi) **“Effective Date”** : Means the date upon which CIPC issues a Registration Certificate, or accepts this Memorandum of Incorporation, or the date as recorded on the Notice of Incorporation, whichever event first occurs;
- (xii) **“Levies”** : Means all contributions levied

from time to time by the **Directors** upon **Members** for the purpose of meeting all the expenses which the **Company** has incurred or which the **Directors** reasonably anticipate the **Company** will incur in the attainment of its objects and the pursuit of its business, and as more fully stipulated in Article 1.5(6) of the Memorandum of Incorporation;

- (xiii) **“Managing Agent”** : Means any person or body or an estate agent as defined in the Estate Agents Act, Act 112 of 1976, appointed by the **Company** as an independent contractor from time to time, if at any time there is no MA then the reference to the MA shall be reference to the Board;
- (xiv) **“Member / Members”** : Means any person who is reflected in the Deeds Registry of the relevant Deeds Office as the registered owner of a **Unit** in the **Township** and/or any person who has successfully applied for membership of the **Company** and has become a registered **owner** of a **Unit** in the **Township**;
- (xv) **“MOI”** : Means the Memorandum of Incorporation of the **Company**;
- (xvi) **“Resident(s)”** : Means a person in occupation of a **Unit** on a temporary or permanent basis by agreement with and/or consent from the **Member** of a relevant **Unit** or through his affiliation or association with such **Member**;
- (xvii) **“Township” / “Estate”** : Means the property/ies comprising the Eldopark Estate;
(**NOTE:** Situated in Eldoraigne x23 & x28)

- (xviii) **“Unit”** : Means an erf, whether consolidated or comprising a sub-division thereof, improved or unimproved, and including any outbuildings;
- or
- a Sectional Title Unit established in terms of the Sectional Titles Act, Act 95 of 1986;
- (xix) **“Vice-Chairman”** : Means the **Vice-Chairman** of the **Board of Directors**;
- (xx) **“in Writing”** : Means written, printed, type-written, lithographed, telefaxed, electronically mailed or any other process producing words in a visible form.

D) COMPANY ADMINISTRATION:

Article 1 – Incorporation and Nature of the Company

1.1 Incorporation

- (1) The **Company** is a pre-existing Non-Profit Company, as defined in the Companies Act, 2008.
- (2) The **Company** is incorporated in accordance with, and governed by-
 - (a) the unalterable provisions of the Companies Act, 2008 that are applicable to Non Profit companies;
 - (b) the alterable provisions of the Companies Act, 2008 that are applicable to Non Profit companies, subject to any limitation, extension, variation or substitution set out in this Memorandum; and
 - (c) the provisions of this Memorandum of Incorporation.
- (3) This Memorandum of Incorporation is in a form unique to the Company, as contemplated in Section 13(1)(a)(ii) Act.

1.2 Objects and Powers of the Company

- (1) The Objects of the **Company** are as set out on the cover sheet (**Part A**) and, except to the extent necessarily implied by the stated objects, the purposes and powers of the **Company** are not subject to any restriction, limitation or qualification, as contemplated in section 19(1)(b)(ii) Act.
- (2) The **Company** is not subject to any provision contemplated in section 15(2)(b) or (c).
- (3) Upon dissolution of the **Company**, its net assets must be distributed in the manner determined in accordance with Item 1(4)(b) of Schedule 1 of the Companies Act, 2008, which holds that :-
 - (a) the net value of the **Company** must be distributed to one or more non-profit Companies, external non-profit companies carrying on activities within the Republic,

voluntary associations or non-profit trusts – having objects similar to the **Company's** main object; and

- (b) as determined:
 - (i) by majority resolution of the **Members**, immediately before the time of dissolution or, failing such determination;
 - (ii) by the Court.
- (4) The **Company** is not permitted to distribute its funds to any person or entity other than a Non-profit Company, Voluntary Association or Non-profit Trust, having objects similar to the **Company's** main object.

1.3 Memorandum of Incorporation and Company rules

- (1) This Memorandum of Incorporation of the **Company** may be altered or amended only in the manner set out in section 16, 17 or 152(6)(b) Act, subject to the requirement that any alteration of the Memorandum of Incorporation or the Rules, made in terms of Section 17(1), shall be published to the **Members** of the **Company** by delivering a copy of the altered Memorandum of Incorporation or the Rules to each **Member** by ordinary mail and/or telefax and/or e-mail.
- (2) The **Company's Board of Directors** may make rules for the **Company**, without limitation or restriction and only subject to the provisions of Article 1.3(5) Act 71 of, 2008, as contemplated in section 15(3) – (5) Act 71 of, 2008, which Rules shall include, but not be limited, to the following matters:
 - (a) The preservation of the environment, including the right to control vegetation and the right to prohibit and/or control the erection of fences and other improvements to a **Unit**, whether upon or within the boundaries of any **Unit**, which may affect the general aesthetic appearance of the **Township**;
 - (b) All aspects of security, vegetation, parking, signage and advertising, exterior finishes of buildings or walling and fences, streetscapes and the maintenance of any **Unit** and any improvements thereon;

- (c) The right to prohibit, restrict or control the keeping of any animal/bird/reptile which they may regard as dangerous or likely to cause a nuisance and/or disturbance to other residents in the **Township**;
- (d) The placing or affixing of ornamentation or embellishments to the outside of the buildings or on a **Unit** within the **Township**, including the power to remove, or order the removal, or to procure an order for removal of any such objects;
- (e) The conduct of any person or persons within the **Township** for the preservation of peace and tranquillity and the prevention of nuisance of any nature to any **Member**/resident, or to prevent any harm to the environment;
- (f) The furtherance and promotion of any of the objects of the **Company** and/or for the better management of the affairs of the **Company** and/or for the advancement of the interests of **Members** of the **Company**;
- (g) The right to control reasonable access to the **Township** and to any **Unit** to protect the security of the **Township**, the **Members** and residents and all users thereof;
- (h) The control of any visitors, contractors and labourers and restriction of their access to and activities within the **Township**;
- (i) The enforcement of any of the Rules;
- (j) The operations and activities of all businesses whatsoever conducted on or from a **Unit** within the **Township**, including the methods of sale and advertising within the **Township**;
- (k) Rules regulating the conduct of estate agents within the **Township**, show-houses, accreditation, property transactions, the control and movement of the estate agents and their clients (prospective purchasers of **Units** in the **Township**);
- (l) The maintenance and preservation of the natural environment and the protection of fauna and flora and the eradication of undesirable flora;

- (m) Rules concerning construction and material specification and Architectural Guidelines and Rules and requirements of all improvements and in particular, without derogating from the generality of the foregoing, structures of whatsoever nature, paving, pavements / sidewalks, the appearance of streetscapes, installations of whatsoever nature, including without limiting the generality thereof, air-conditioning units, any power saving devices, generators, swimming pool pumps / filters, TV aerials / dishes / antennae, lighting, washing lines, refuse bins, building rubble, carports, awnings, security systems and landscaping features as well as the maintenance and upkeep of all the foregoing;
 - (n) The control of vehicular traffic of whatsoever nature, including parking;
 - (o) The use of any facilities or amenities within the **Township**;
 - (p) The safety- and other regulations applicable to the playing of any sport or engagement in any other recreational activity, including, but not limited to, the use of balls and other sporting equipment, cycles, scooters, skateboards, etc.;
 - (r) The control and recycling of refuse, littering and other safety and anti-pollution related measures;
 - (s) In general, rules in order to maintain tranquillity and a peaceful living environment in the **Township**.
- (3) For the enforcement of any Rules made by the **Directors** or the **Company**, the **Directors** shall be entitled to:
- (a) implement a system of fines and penalties from time to time in order to deter any contravention of these Rules and to ensure the due enforcement of these Rules.
 - (b) Any changes to the amount/penalties imposed by the Directors are subject to adjustment and/or ratification by members in General Meeting.
 - (c) In the event of contravention of any of these Rules, the following procedure will be followed and implemented by the Directors/**Managing Agent**:

- (i) A letter of demand incorporating a penalty will be sent to the member, specifying the nature of the breach and demanding him to remedy the breach where applicable, within a period of 10 (ten) days;
- (ii) Should the member fail to adhere to the demand letter and to remedy the breach and/or to pay the fine or penalty then, unless written objection is received from the **Member** concerning the alleged contravention, the prescribed penalty shall be implemented and levied against the member's levy account and shall be enforceable, as if such penalty or fine constitutes a normal levy;
- (iii) If a **Member** disputes any breach, a Committee of 3 (three) **Directors** appointed by the **Chairman** shall on receipt of the **Member's** written objection convene a meeting with the **Member** within a period of 10 (ten) days to adjudicate upon the issue. The meeting shall take place at a venue and time, and in accordance with such procedure as the **Chairman** of the Committee shall direct, provided that the Rules of natural justice shall be observed and at which meeting the **Member** shall be entitled to address his objection and to call witnesses.
- (iv) The decision of the **Board** shall be final unless objected to in writing within 10 (ten) days from notification of its decision;
- (v) Should the **Member** refuse to accept the decision of the **Committee** on any matter, such dispute shall then be referred to mediation and/or arbitration in terms of Article 5 of the MOI;
- (vi) Any fine imposed upon any **Member** will be deemed to be a debt due by the **Member** to the **Company** and shall be recoverable by ordinary civil process.

1.4 Optional provisions of Companies Act, 2008 do not apply

Although the **Board** may elect to appoint an Auditor, such election will be voluntarily and not subject to the provisions of Chapter 3 and specifically not subject to Sections 90, 91, 92 and 93 of the **Act**.

1.5 (1) **Membership of the Company**

As contemplated in Item 4(1) of Schedule 1 of the **Act**, the **Company** has **Members**, who are all in a single class, being voting **Members**, each of whom has an equal vote in any matter to be decided by the **Members** of the **Company**.

(2) **Qualification for Membership of the Company**

(2.1) Membership of the **Company** shall be limited to those persons (natural persons or juristic entities), who at incorporation or thereafter are reflected in terms of the Deeds Registries Act No. 47 of 1937, in the records of the Deeds Office concerned as the registered owners of a **Unit(s)** in the **Township**, notwithstanding the provisions of Article 1.5(3), and who will be bound by the provisions of the Companies Act, 2008, this Memorandum of Incorporation and any Rules made and incorporated hereunder;

(2.2) Where any **Unit(s)** in the **Township** is owned by more than one person, all the registered owners of that **Unit(s)** shall together be deemed to be one **Member** of the **Company** and have the rights and obligations of one **Member** of the **Company**; provided however that all co-owners of a **Unit(s)** shall be jointly and severally liable for the due performance of any obligations towards the **Company**.

(3) **Application for Membership of the Company**

(3.1) Subject to the provisions of Article 1.5(2.1), application for Membership of the **Company** shall be made to the **Board in writing**.

(3.2) When application is made for membership of the **Company** by a person, such person shall declare himself bound by the terms and conditions of this Memorandum of Incorporation and any Rules made thereunder, and such person shall be deemed to have acquainted himself with the terms and conditions thereof.

(3.3) All **Members** who are **Members** of the **Company** at the time this Memorandum of Incorporation is adopted, shall

remain **Members** of the **Company** by virtue of them being the registered owners of **Unit(s)** in the **Township**.

(4) Initial or periodic costs for membership

All **Members** shall be liable for payment of a monthly Levy, to be paid in advance, as may be determined by the **Board** or the **Members**, in terms of this Memorandum of Incorporation from time to time, as may be required for the fulfilment of the objectives of the **Company**.

(5) Rights and obligations of Membership

(5.1) A **Member** of the **Company** shall remain a **Member** thereof until he ceases to be the registered owner, as reflected in the relevant Deeds Office as an owner of a **Unit** in the **Township**, and a **Member** shall therefore not be entitled to resign as a **Member** of the **Company** unless he ceases to be an owner of a **Unit** in the **Township**.

(5.2) The rights and obligations of a **Member** shall not be transferable and every **Member** shall:

(5.2.1) further to the best of his ability the objects and interests of the **Company**;

(5.2.2) observe all Rules made by the **Company** or the **Directors**;

(5.2.3) pay all **Levies** due by the **Member**, to the **Company**;

(5.2.4) comply with the Conditions of Establishment of the Township;

(5.2.5) comply with the Architectural Design Guidelines in force from time to time;

(5.2.6) obtain the prior written consent of the **Board** of any building plans, including plans for exterior alterations to an existing building, before submission thereof for approval to any local or other authority, prior to commencement with any building activity;

- (5.2.7) not use his **Unit** or any part thereof, or any part of the common property or common services, or permit it to be used, in such a manner and/or for such purposes as shall be injurious to the reputation of the **Company**;
- (5.2.8) not contravene or permit the contravention of any law, by-law, ordinance, proclamation or statutory regulation, or the conditions of any license, relating to or affecting the occupation of his **Unit** or of the common property or the carrying on of business, or so contravene or permit the contravention of the conditions of title applicable to his **Unit** or of any other **Unit** or the common property;
- (5.2.9) maintain his **Unit** in a clean and tidy condition and adhere to the Architectural Design Guidelines. Any deviations from these design guidelines, alterations and/or extensions to a **Unit** must be approved by the Board;
- (5.2.10) allow any person so authorized by the **Board** to enter onto his **Unit** for purposes of inspecting any structure to be erected on his **Unit**. **Members** are responsible to allow entry to such persons for such purpose;
- (5.2.11) not sub-divide or allow the sub-division of any **Unit**, not erect a second dwelling on any **Unit**;
- (5.2.12) abide by the **Memorandum of Incorporation** and adhere to the rules and regulations proclaimed by the **Directors** from time to time;

provided that nothing contained in this Memorandum of Incorporation of the **Company** shall prevent a **Member** from ceding his rights in terms of this Memorandum of Incorporation as security to the mortgagee of the **Member's Unit**;

- (5.3) No **Member** shall let or otherwise part with occupation of his **Unit**, whether temporarily or otherwise, unless he has agreed **in writing** with the proposed occupier of such **Unit**, as a *stipulatio alteri* (benefit in favour of a third party) in favour of the **Company** that such occupier shall be bound

by all the terms and conditions of this Memorandum of Incorporation and any Rules made thereunder, and such written agreement is lodged with the **Company** prior to the proposed occupier taking occupation of the **Unit** in question.

- (5.4) Every **Member** shall, when he agrees to transfer ownership of his **Unit** in the **Township**, set it as a condition of the agreement of sale and transfer, that the new owner shall apply for membership of the **Company** and be accepted as **Member** of the **Company** and therefore become a **Member** of this **Company**, accepting his/her/its obligations towards the **Company** as **Member**.
- (5.5) No **Member** of a **Unit** in the **Township** shall be entitled to dispose thereof to any other person without the written consent of the **Company** first having been obtained under the hand of the **Board** or the **Managing Agent**, which consent will not be withheld unless:
 - (5.5.1) such **Member** is in arrears with any **Levies**, penalties, fines or interest or other payment due to the **Company** in terms of the Memorandum of Incorporation or the Rules or otherwise;
 - (5.5.2) such **Member** is in breach with any of his obligations towards the **Company** in terms of the Memorandum of Incorporation or the Rules and has failed to remedy such breach after having been called upon by the **Company**, in writing, to remedy such breach and remain in breach;
 - (5.5.3) the prospective transferee has not applied for membership of the **Company**, where such application is required, or has not been accepted as **Member** of the **Company**.
- (5.6) No **Member** of a **Unit** in the **Township** shall be entitled to pass transfer thereof to any other person until the **Company**, under the hand of the **Board** or the **Managing Agent**, has certified by way of a clearance certificate that such **Member** as at date of transfer has complied with all his/her/its financial and other obligations towards the **Company**. The principles applicable in terms of the Sectional Titles Act, Act 95 of 1986, with regard to the issuing of a clearance certificate shall apply *mutatis mutandis* to any clearance certificate required to be

obtained in respect of the transfer of any **Unit** in the **Township**.

- (5.7) The provisions of Article 1.5(5.5) and (5.6) shall apply *mutatis mutandis* to any alienation of an undivided share in a **Unit** in the **Township**.
- (5.8) The **Directors** of the **Company** may impose an additional, reasonable fee upon the **Members** of the **Company** for the issuing of the Clearance Certificate as referred to in Article 1.5(5.6). The said fee will be determined by the **Directors** or the **Managing Agent** from time to time and changes will be subject to ratification/amendment/repeal by the **Members** in General Meeting.
- (5.9) **Members** shall have the rights prescribed by the **Act**, the Memorandum of Incorporation and any Rules made thereunder, which shall *inter alia* include the following rights:
 - (5.9.1) the right to nominate and elect the **Directors** of the **Company**;
 - (5.9.2) the right to have access to the **Company** records in accordance with the provisions of Section 26 of the **Act**;
 - (5.9.3) the right to receive notice of, attend, speak and vote at General Meetings of the **Company**;
 - (5.9.4) the right to have access to the Financial Statements or related information of the **Company**;
 - (5.9.5) provided that they are in good standing (i.e. if they have paid all levies and other amounts due and payable to the **Company**), shall have the right to vote at all meetings of the **Company**;
- (5.10) A **Member/(s)** shall not have the right to attend, to vote or to speak at any General Meeting, or as contemplated in terms of the provisions of Section 60 of the **Act**, if:
 - (5.10.1) such **Member** is in arrears with any **Levies**, service costs, contributions, penalties, fines,

legal costs or interest, or any other payment due to the **Company** in terms of this Memorandum of Incorporation or the Rules or otherwise;

(5.10.2) such **Member** is in breach (other than payment of levies) with any of his obligations towards the **Company** in terms of this Memorandum of Incorporation or the Rules and has failed to remedy such breach after having been called upon by the **Company, in writing**, to remedy such breach and he remains in breach, unless such breach is disputed by the **Member**.

(5.11) Every **Member**, if so required by the **Company**, shall sign all documents required to create a condition in the Title Deed of his **Unit**, which will ensure that the **Unit** may not be sold or transferred without the buyer or transferee binding himself to become a **Member** of the **Company** and without a certificate as contemplated in Article 1.5(5.6) of Act 71 Of 2008. Access will be denied until compliance of the above. The condition referred to shall be worded as near as possible to the following format:

*"This property is subject to the following condition imposed by the developer/transferor in favour of **Eldopark Home Owners Association (NPC)**, a Non-Profit Company as referred to in the Companies Act, 2008 with **Registration Number: 1995/009268/08**:*

- 1. The transferee, their successors in title or assigns/(his heirs, executors, administrators or assigns) are compelled to be a member of the abovementioned Home Owners Association from the date of registration of the property into his/her/their name.*
- 2. The transferee, their successors in title or assigns/(his heirs, executors, administrators or assigns) shall not be entitled to transfer the property in any manner, without obtaining the prior written permission of the **Eldopark Home Owners Association (NPC)** and then only subject to the condition that the purchaser will become a member of the said **Eldopark Home Owners Association (NPC)** on the date of registration of the property into his name."*

(5.12) Every **Member** shall, when he agrees to transfer of ownership of a **Unit** in the **Township**, set it as a condition of the Agreement of Sale and transfer of a **Unit** in the **Township**, that the new owner shall apply in writing to become a member of the **Company**, accepting his/her/its obligations towards the **Company** as a **Member** and this condition shall be worded as near as possible in accordance with the following format:

"Further conditions:

1.1 Home Owners Association:

- (a) The Purchaser undertakes to apply in writing, for membership of the **Eldopark Home Owners Association (NPC)** (hereinafter referred to as "the **Company**") and confirms and accepts that, irrespective of such written application, his ownership of the **Unit** shall be subject to the **Memorandum of Incorporation** of the **Company** and any Rules made by the **Company**. A copy of the **Memorandum of Incorporation** of the **Company** and Rules made thereunder are available for inspection with the Managing Agent.
- (b) The Purchaser will remain a **Member** of the **Company** and be bound to its provisions for as long as he remains the registered owner of the property.
- (c) Should the Purchaser sell the property, he will be obliged to inform the new Purchaser of these provisions and the new Purchaser's obligation in terms of these provisions.
- (d) The Purchaser shall require the written consent of the **Company** to transfer the **Unit** to a third party, which consent will not unreasonably be withheld.
- (e) As from date of transfer, the Purchaser shall be liable for payment to the **Company** of a levy as determined by the **Company** and which levy shall be utilised inter alia towards maintenance of the common property

*belonging to the **Company**, the security fence and systems as well as payment of disbursements relating to security matters and for any such other purposes as the Constitutional Documents of the **Company** may prescribe."*

(5.13) Binding Nature

- (5.13.1) The provisions of this Memorandum of Incorporation and Rules, and the duties of a member in relation to the use and occupation of his **Unit** shall be binding on the member of any **Unit** and any lessee or other occupant of any **Unit** and it shall be the duty of the member to ensure compliance with this Memorandum of Incorporation and Rules upon such lessee or occupant, including visitors, employees, contractors, guests, any member of his family or that of his lessee or his occupant;
- (5.13.2) It shall be the duty of any member to furnish a copy of this Memorandum of Incorporation and Rules to any lessee or other occupant of his **Unit** and to refer in any Lease Agreement to the binding nature of this Memorandum of Incorporation and Rules upon such lessee or occupant.
- (5.14) If a member ceases to be a **Member** of the **Company** as a result of the transfer of a **Unit** to another person, such **Member** shall not be released from any liability to the **Company** in respect of any debt or other obligation, the cause of which arose prior to the transfer of such **Unit**.
- (5.15) Where a **Unit** is owned by more than 1 (one) person, all the registered owners of that **Unit** shall together be deemed to be collectively 1 (one) **Member** of the **Company** and have the rights and obligations of 1 (one) **Member** of the **Company**; provided however that all co-owners of any **Unit** shall be jointly and severally liable for the due performance of any obligation to the **Company**.
- (5.16) The rights and obligations of a **Member** shall not be capable of being ceded and/or assigned, in whole or in part, nor otherwise be transferable.

- (5.17) Members shall not interfere with, nor give instructions to any officers, employees, agents or contractors of the **Company** and **Managing Agent**, and any complaints shall be addressed **in writing** to the **Directors** and/or **Managing Agent**. The **Directors** may request that any complaint be dealt with at the forthcoming Annual General Meeting of the Association.

(6) Levies

- (6.1) The **Directors** may from time to time determine the **Levies** payable by the **Members** for the purpose of meeting all the expenses which the **Company** has incurred, or to which the **Directors** reasonably anticipate the **Company** will be put in the attainment of its objects or the pursuit of its business.
- (6.2) The **Directors** shall not less than thirty days prior to the end of each financial year or so soon thereafter as is reasonably possible, publish a notice indicating an estimate ("**estimate**"), in reasonable detail, of the amount which shall be required by the **Company** to meet the expenses during the following financial year, and shall specify separately such estimated deficiency, if any, as shall result from the preceding year. The **Directors** may include in such estimate an amount to be held in reserve to meet anticipated expenditure not of an annual or recurring nature.
- (6.3) Each notice to each **Member** shall specify the contribution (levy) in accordance with the **estimate**, payable by that **Member** to such expenses and reserve fund.
- (6.4) The annual levy for the ensuing financial year or any special- or other levy to be implemented shall become due and payable on the passing of a **Board** Resolution to that effect, or the publication thereof as envisaged in Article 1.3(5).

The annual levy shall be payable in equal monthly instalments **due in advance** on the 1st day of each and every month of each financial year, provided that **Members** in General Meeting may give directions to the **Directors** to deviate from this arrangement.

Any special- or other levy shall be payable in a form that the **Directors** may direct, subject to the approval of **Members** in General Meeting by a mere majority and/or in terms of such directions as the **Members** may impose at any General Meeting.

- (6.5) In the event of the **Directors** for any reason whatsoever failing to prepare and timeously serve the notice referred to in Article 1.5(6.3) above, every **Member** shall until served with such notice continue to pay the levy previously imposed and shall after service of such notice pay the levy specified therein. A **Member** shall pay any deficit (comprising the difference between the levies payable during the previous financial year and the new levy imposed, if any) **within 30 (thirty) days of receipt of the notice specifying the new contribution payable by the Member.**
- (6.6) Upon the change of ownership of a **Unit**, the successor in title becomes liable for the pro-rata payment of contributions from the date of change of such ownership.
- (6.7) The **Directors** may from time to time impose special **Levies** upon the **Members** in respect of all expenses as are mentioned in Article 1.5(6)(6.1) which are not included in any estimate made in terms of Article 1.5(6)(6.2).
- (6.8) All **Levies** and any special **Levies** referred to in Article 1.5(6)(6.7), becomes due on the passing of a Resolution to that effect and may be recovered by the **Company** by action in any competent Court, having jurisdiction from the **Member(s)** who were owner(s) of the **Unit(s)** at the time when such Resolution was passed.
- (6.9) The **Directors** shall be empowered in addition to such other rights as the **Company** may have in law against its **Members** to determine the rate of interest from time to time chargeable upon arrear **Levies**. Should the **Directors** fail to make any determination of the interest rate, then and in that event, the prescribed rate of interest, as may be applicable from time to time in terms of the Prescribed Rate of Interest Act, Act No. 55 of 1975, shall be applicable and which interest rate at adoption of this Memorandum of Incorporation is 15,5% per annum. Interest shall be calculated monthly in arrears and compounded.

- (6.10) The obligation of a **Member** to pay a levy and interest shall cease upon his ceasing to be a **Member** without prejudice to the **Company's** right to recover arrear **Levies** and interest and penalties, fines and other amounts due to the **Company**. No **Levies**, interest, penalties, fines or other amounts paid by a **Member** shall under any circumstances be repayable by the **Company** upon his ceasing to be a **Member**. A **Member's** successor in title to a **Unit** shall be liable for payment of **Levies** as from the date upon which he becomes the registered owner of the **Unit** as reflected in the Deeds Registry.
- (6.11) No **Unit(s)** registered in a **Member's** name shall be capable of being transferred without a Clearance Certificate as referred to in Article 1.5(5)(5.6) first being obtained from the **Company**, confirming that all **Levies** (including payment of 3 (three) months' levies in advance), penalties, fines or other amounts due and interest have been paid up to and including date of registration of transfer thereof.
- (6.12) A **Member** shall be liable for and pay all legal costs, including costs as between attorney and own client, collection commission, expenses and charges incurred by the **Company** in obtaining the recovery of arrear **Levies**, penalties, fines, interest or any other arrear amounts due and owing by such owner to the **Company** or in enforcing compliance with the **Act**, the provisions of this Memorandum of Incorporation, or the Rules.
- (6.13) The **Directors** may from time to time determine a charge to be levied against **Members** in arrears, as an administration charge payable to the **Company** or to the **Managing Agent**.
- (6.14) Interest imposed by the **Directors** shall be subject to review by the **Members** in General Meeting and shall not exceed any limitations set by legislation.
- (6.15) All payments made by a **Member** and received by the **Company**, shall be allocated firstly towards interest, legal costs and thereafter towards capital. The **Board** reserves the right to allocate payments as they deem fit in the absence of an express allocation by the **Member**. In the absence of an express allocation by the **Board** or the **Member**, all payments will be allocated to the debt newest in time.

- (6.16) **Members** shall further have the rights and obligations as specified in the Rules incorporated in this Memorandum of Incorporation and as may be amended from time to time.
- (6.17) Should a **Member** fail to effect payment of contributions (annual and/or special) levied in terms of the **MOI** on due date, the full outstanding balance remaining unpaid for the financial year shall become due and payable without notice and/or demand but the **Board** may at their sole election and discretion agree to a re-payment arrangement with the **Member** concerned and subject to such conditions as the **Board** may impose. The **Board**, in managing the financial obligations and cash flow requirements of the **Company**, may at their sole election and discretion agree to reduce, vary or discount the full outstanding balance remaining unpaid by a **Member**, subject to such conditions as the **Board** may impose and subject further to the ratification by the **Members**, with or without amendment, at the next General Meeting of the **Company** following such determination.

Article 2 – Rights of Members

2.1 Members' authority to Act

If, at any time, every **Member** of the **Company** is also a Director of the **Company**, as contemplated in section 57(4), the authority of the **Members** to act without notice or compliance with any other internal formalities, as set out in that section is not limited or restricted by this Memorandum of Incorporation.

2.2 Members' right to Information

A **Member** has the right to information as set out in Section 26(1) of the **Act**.

2.3 Representation by concurrent proxies

The right of a **Member** of the **Company** to appoint 2 (two) or more persons concurrently as proxies, as set out in section 58(3)(a) is not limited, restricted or varied by this Memorandum of Incorporation.

2.4 Authority of proxy to delegate

The authority of a **Member's** proxy to delegate the proxy's powers to another person, as set out in section 58(3)(b) is not limited or restricted by this Memorandum of Incorporation.

2.5 Requirements to deliver proxy instrument to the Company

The requirement that a **Member** must deliver to the **Company** a copy of the instrument appointing a proxy before that proxy may exercise the **Member's** rights at a **Members** meeting, as set out in section 58(3)(c) is varied to the extent that a copy of the instrument appointing a proxy must be delivered to the **Company** or to any other person acting on behalf of the **Company** (including a Board member or duly appointed **Managing Agent**) at any time before commencement of the proceedings or meeting at which the proxy exercises any rights of the **Member**.

2.6 Deliberative authority of proxy

The authority of a **Member's** proxy to decide without direction from the **Member** whether to exercise, or abstain from exercising any voting right of the **Member**, as set out in section 58(7) is not limited or restricted by this Memorandum of Incorporation.

2.7 Record date for exercise of Member rights

If, at any time, the **Company's Board of Directors** fails to determine a record date, as contemplated in section 59, the record date for the relevant matter shall be 15 (fifteen) business days prior to the action, meeting or event as contemplated in accordance with section 59(3).

Article 3 – Members Meetings

3.1 Requirement to hold meetings

- (1) The **Company** shall within 6 (six) months after the end of each financial year hold a General Meeting in addition to any other General Meetings during that year, and shall specify the meeting as such in the notices, in terms of Article 3.4 below, calling such meeting;
- (2) The abovementioned General Meeting shall be called the “Annual General Meeting” and all other General Meetings shall be called “Special General Meetings”.

3.2 Members’ right to requisition a meeting

The right of **Members** to requisition a meeting, as set out in section 61(3), may be exercised by at least 20% of the voting rights entitled to be exercised in relation to the matter to be considered at the meeting despite the provisions of that section.

3.3 Location of Members meetings

The authority of the **Company’s Board of Directors** to determine the location of any **Members** meeting, and the authority of the **Company** to hold any such meeting in the Republic or in any foreign country, as set out in section 61(9) is limited or restricted to the extent that all **Members’** meetings shall be convened to take place at a location, preferably within the **Township** or vicinity thereof, not exceeding 10km from the main gate of the **Township**.

3.4 Notice of Members meetings

- (1) The minimum number of days for the **Company** to deliver a notice of a **Members** meeting to the **Members**, as required by section 62 is as provided for in section 62(1), being at least 15 (fifteen) **Business Days**.
- (2) The notice convening each meeting of the **Company** shall specify the place, the date and hour of the meeting and shall otherwise contain details of the business, including where relevant, special business, to be conducted at the meeting.
- (3) The notice convening the meeting shall contain adequate motivation and information of any business and especially concerning special business to be conducted at the meeting, to enable the **Members** to make an informed decision.

3.5 Electronic participation in Members meetings

The authority of the **Company** to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in section 63 is not limited or restricted by this Memorandum of Incorporation, provided that the electronic communication employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate reasonably effectively at the meeting.

3.6 Quorum for Members meetings

- (1) Subject to at least 3 (three) **Members** being present in person, the quorum requirement for a Members Meeting to begin, or for a matter to be considered, is 10% (ten percent) of the votes entitled to be exercised by the **Members** present in person or by proxy.
- (2) The time periods allowed in section 64(4) and (5) apply to the **Company**, subject to the following variations :
 - (a) If, within 15 (fifteen) minutes after the appointed time for a meeting to begin, the requirements of sub-sections 64(1) or 64(3), if applicable, for that meeting to begin have not been satisfied, the meeting is postponed without motion, vote or further notice, for 1 (one) week, at the same place and time;
 - (b) If, within 15 (fifteen) minutes after the appointed time for a meeting to begin, the requirements of sub-sections 64(1) or 64(3), if applicable, for consideration of a particular matter to begin have not been satisfied –
 - (i) if there is other business on the Agenda of the meeting, consideration of that matter may be postponed to a later time in the meeting without motion or vote; or
 - (ii) if there is no other business on the Agenda of the meeting, the meeting is adjourned for 1 (one) week, at the same place and time, without motion or vote.
 - (c) The person intended to preside at a meeting that cannot begin due to the operation of sub-section 64(1)(a) or 64(3), where a quorum is not present, may extend the 15 (fifteen)

minute limit for a reasonable period on the grounds as specified in sub-section 64(5).

- (3) The authority of a meeting to continue to consider a matter after the quorum has been met, so long as at least 3 (three) **Members** remain present (in person), as set out in section 64(9), is not limited or restricted by this Memorandum of Incorporation.

3.7 Adjournment of Members meetings

- (1) If a quorum has not been reached within 15 (fifteen) minutes after the appointed time for the meeting to begin or such extended period as the **Chairman** directed, the **Chairman** appointed for the meeting will be authorized to adjourn the meeting of the **Members** for 1 (one) week. Adjournment will take place in accordance with the provisions of Sections 64(4) – (13).
- (2) The maximum period allowable for an adjournment of a **Members** meeting is 15 (fifteen) **Business Days** after the date upon which the adjournment occurred.
- (3) No business shall be transacted at an adjourned meeting, other than the business which failed to be transacted at the meeting from which the adjournment took place.

3.8 Members resolutions

- (1) For any ordinary resolution to be adopted at a **Members** meeting, it must be supported by at least 51% of the **Members** who voted on the resolution, as stipulated in the provisions of section 65(7).
- (2) For a special resolution to be adopted at a **Members** meeting, it must be supported by at least 75% of the **Members** who voted on the resolution, as provided in section 65(9).
- (3) A special resolution adopted at a **Members** meeting is not required for a matter to be determined by the **Company**, except those matters set out in section 65(11) and the following matters:
 - (a) to amend the **Company's** Memorandum of Incorporation to the extent required by Section 16(1)(c);
 - (b) to approve the voluntary winding-up in the circumstances contemplated in Section 80(1);

- (c) to approve any proposed fundamental transaction, to the extent required by Part A of Chapter 5 of the **Act**, subject to Schedule 1 of the **Act**;
- (d) to ratify actions by the **Company** or **Directors** in excess of their authority, as contemplated in Section 20(2);
- (e) to authorize the **Board** to grant financial assistance in the circumstances contemplated in Section 44(3)(a)(ii) or 45(3)(a)(ii);
- (f) to authorize the basis for compensation to **Board of Directors** of the **Company**, as required by Section 66(9).

3.9 Votes of Members

At every General meeting:

- (1) Every **Member**, in person or by proxy and entitled to vote, shall have 1 (one) vote for each **Unit** registered in his name;
- (2) If a **Unit** is registered in the name of more than one person, then all such co-owners shall jointly have 1 (one) vote;
- (3) Save as expressly provided for in these presents, no person other than a **Member**, duly registered and who shall have paid every levy or other sum due and payable to the **Company** in respect of or arising out of his membership, and who is not under suspension, shall be entitled to be present or to speak or to vote on any question, either personally or by proxy, at any General Meeting;
- (4) With reference to section 63(4) and section 63(5) of the **Act**, at any General Meeting a Resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll (before or in the declaration of the result of a show of hands) is demanded by the **Chairman** or **Members**. A declaration by the **Chairman** that a Resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or has been declined, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or the proportion of the votes recorded in favour or against such Resolution. The demand for a poll may be withdrawn.
- (5) If a poll is duly demanded, it shall be taken in such manner as the **Chairman** directs, and the result of the poll shall be deemed to

be the Resolution of the meeting at which the poll was demanded. Two (2) **Members** shall be elected to determine the result of the poll. In the case of an equality of votes, whether on a show of hands or on a poll, the Resolution shall fail.

- (6) In the case of an equality of votes, for and against any Resolution, whether on a show of hands or on a poll, the Resolution shall be deemed to have been defeated.
- (7) Every Resolution and every amended Resolution proposed for adoption by a General Meeting shall be seconded at the meeting and if not so seconded shall be deemed not to have been proposed.
- (8) An amendment proposed shall also require to be seconded, and if approved by the meeting, will replace the initial proposal, and such amended proposal must then be put to the vote.
- (9) Unless any **Member** present in person or by proxy at a General 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, whether by a show of hands or otherwise, 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 aspects be deemed to have been properly and validly constituted and conducted and an entry in the minutes to the effect that any motion has been carried or defeated, with or without record of the number of votes recorded in favour of or against such motion, shall be conclusive evidence of the votes so recorded.

3.10 Proxies

- (1) A **Member** may be represented at a General Meeting by a proxy, who need not be a **Member**.
- (2) The instrument appointing a proxy shall be **in writing**, duly signed by the **Member** concerned (or his appointed agent, duly authorized **in writing**) and shall be substantially in the form as set out in clause 3.10(5).
- (3) In accordance with the provisions of Article 2.5, a copy of the instrument appointing a proxy must be delivered to the **Company** at any time before commencement of the proceedings or meeting at which the proxy exercises any rights of the **Member**. Notwithstanding this provision, the Directors may

call upon a **Member** to lodge the original instrument appointing a proxy to the **Company** within 7 (seven) days from the meeting or proceedings.

- (4) Unless specifically specified in the proxy itself, no instrument appointing a proxy shall be valid for any meetings of the **Company**, other than the meeting for which a proxy was first appointed or in respect of any adjournment of that meeting.
- (5) In order to determine the authority and rights of the proxy holder, it is preferred that the proxy form be substantially in accordance with the following format and that the instructions to the proxy holder are indicated in an unambiguous manner:

ELDOPARK HOME OWNERS ASSOCIATION (NPC)

PROXY FORM

I/We, _____, the undersigned, the registered owner of Stand/Unit number _____, or duly authorized by the registered owner, namely: _____, being a Member of the Company, do hereby appoint:

_____ of _____
Or failing him/her: _____ of _____
Or failing him/her: _____ of _____
as my proxy to vote for me on my; behalf at the General Meeting of the Association to be held on the ____ day of _____ 20____
and at any adjournment thereof as follows:

1. Motion to _____
(See attached draft resolution, if relevant)
In favour ☐ Against ☐ Abstain ☐
2. Motion to _____
(See attached draft resolution, if relevant)
In favour ☐ Against ☐ Abstain ☐
3. Motion to _____
(See attached draft resolution, if relevant)
In favour ☐ Against ☐ Abstain ☐

Where it has been indicated that the proxy may vote in favour of any of the resolutions, indicate further whether the proxy may vote in favour of any modification to any proposed resolution or not:

With modification ☐ Without modification ☐

If no indication has been made above as to how the proxy may vote, the proxy may vote as he thinks fit.

Signed on this _____ day of _____ 20____

SIGNATURE: _____

Note:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy need not be a member of the Company.
2. Proxies must be deposited at (delivered or faxed to) the Company or the Managing Agent, not less than 48 (forty eight) hours before the appointed time of the meeting.

- (6) A vote given in accordance with the terms of a proxy shall be valid notwithstanding the death or insolvency of the principal prior to the time at which the meeting was due to start, or subsequent revocation of the proxy, provided, however, that no notice of the death or insolvency, or revocation shall have been received by the **Company** and the proxy at any time prior to the vote been taken in respect of which the proxy exercises such a vote.

3.11 Conduct of Meetings

- (1) The **Members** may, from time to time, at the Annual General Meeting, by way of an Ordinary Resolution, determine the meeting procedures which shall be properly documented as such and which shall be strictly complied with at all General Meetings.
- (2) The **Chairperson** and **Directors** shall acquaint themselves with the meeting procedures and the **Chairperson** of the relevant meeting shall be entitled to rule on any technical irregularity regarding the conduct of any General Meeting, which ruling shall be final and binding upon the **Directors** and **Members**.

3.12 Agenda of General Meetings

In addition to any other matters required by the **Act** or in terms of this **Memorandum of Incorporation**, to be dealt with at an Annual General Meeting, the following matters shall be dealt with at every Annual General Meeting:

- (1) The consideration of the Chairman's Report;
- (2) The election of **Board of Directors**;
- (3) The consideration of any other matters raised at the meeting, including any Resolutions proposed for adoption by such meeting and the voting upon any such Resolutions;
- (4) The consideration of the accountant/auditors of the **Company** for the ensuing financial year;
- (5) The consideration of the report of the auditors;
- (6) The ratification/amendment/repeal of any rules made by the **Board**.

Article 4 – Directors and Officers

4.1 Composition of the Board of Directors

- (1) The **Board of Directors** of the **Company** comprises the elected **Directors**, and their alternate **Directors** each of whom is to -
- (a) be elected in the following manner:
- (i) There shall be a **Board of Directors** of the **Company** which shall consist of not less than 3 (three) and not more than 10 (ten) **Directors**;
 - (ii) **Directors** shall serve for a term of 1 (one) year or until the next **Members'** Meeting, and shall be eligible for re-election;
 - (iii) If a **Members** meeting for the election of **Directors** is not convened before the expiry of the 1 (one) year term within which a Director serves, then and in that event, such Director(s) shall continue to hold office from the date of his/her/their appointment until the next Annual General Meeting following such appointment and at which meeting each Director shall be deemed to have retired from office but will be eligible for re-election to the **Board of Directors** at such meeting;
 - (iv) Nominations for election of **Directors** must be delivered to the **Company** or to any other person acting on behalf of the **Company** (including a Board member or duly appointed **Managing Agent**) at any time before commencement of the proceedings or meeting at which the nomination is to be considered;
 - (v) Upon any vacancy occurring in the **Board of Directors** prior to the next Annual General Meeting, the vacancy in question shall be filled by a person to be nominated by the **Chairman** of the **Board of Directors** for the time being and in his absence or inability, the **Vice-Chairman**;
 - (vi) Within 7 (seven) days of the holding of each Annual General Meeting, the **Board of Directors** shall meet and shall elect from their own numbers, the **Chairman** and the **Vice-Chairman**, who shall hold

their respective offices until the Annual General Meeting held next after their said appointments, provided that the office of the **Chairman** or **Vice-Chairman** shall *ipso facto* be vacated by the Director holding such office upon his ceasing to be a Director for any reason; and

- (b) serve for a term of 1 (one) year.
- (2) In addition to the elected **Directors** there may be directly appointed **Directors** of the **Company**, or the appointment or election of alternate **Directors** of the **Company**, as contemplated in section 66(4), to be designated in the following manner: The **Chairman** of the **Board of Directors** for the time being, and in his absence or inability to act, the **Vice-Chairman** of the **Board of Directors** may, upon any vacancy occurring in the **Board of Directors**, appoint a Director to fill such vacancy until election of Board Members at the next Annual General Meeting or Special General Meeting convened for this purpose.
- (3) In addition to satisfying the qualification and eligibility requirements set out in Section 69, to become or remain a Director of the **Company**, a person must satisfy the following additional eligibility requirements and qualifications:
- (a) be a paid-up **Member**, or a representative of a paid-up **Member** where the **Member** is a legal entity, and/or the spouse of a paid-up **Member**, of the **Company** at the time of appointment as Director;
 - (b) may not be in breach of any of his/her obligations as a **Member** of the **Company**, as stipulated in the Memorandum of Incorporation or the Rules;
 - (c) may not be disqualified from acting as Director of the **Company** in terms of the Companies Act, 2008.
- (4) Each **appointed** (not elected) Director of the **Company** serves for an indefinite term, until substituted by the person or entity that made the appointment or until the next Annual General Meeting following his appointment.
- (5) A **Director** shall be deemed to have vacated his office as such when:

- (a) he resigns his office by notice in writing to the **Company**;
 - (b) he has been disqualified to act as a **Director** in terms of the provisions of Sections 69 of the **Act**;
 - (c) he has been discharged from office under circumstances in terms of Section 71 of the **Act**;
 - (d) he becomes of unsound mind;
 - (e) he is absent from more than 2 (two) consecutive meetings of the **Directors** without leave having been granted to him and if the **Board** so resolve;
 - (f) his removal has been approved by ordinary resolution of the **Members** in General Meeting.
- (6) A **Director** shall not be entitled to appoint an alternate to function in his stead for any purpose nor by proxy or otherwise appoint any other person to fulfil his functions and duties, save as provided in terms of the provisions of the **MOI**.
- (7) A **Director** may not otherwise delegate or sub-delegate any of his obligations, save as approved by the **Board**.

4.2 Authority of the Board of Directors

The authority of the **Company's Board of Directors** to manage and direct the business and affairs of the **Company** is not limited or restricted by this Memorandum of Incorporation but subject only to any restriction and direction given at a General Meeting of the **Company**.

4.3 Board of Directors meetings

- (1) The authority of the **Company's Board of Directors** to consider a matter other than at a meeting, as set out in section 74 is not limited or restricted by this Memorandum of Incorporation and may instead be adopted by written consent of a majority of the **Directors** given in person, or by electronic communication, provided that each **Director** has received notice of the matter to be decided.
- (2) The right of the **Company's Directors** to requisition a meeting of the **Board**, as set out in section 73(1), may be exercised by at least 25% of the **Directors**, despite the provisions of that section.

- (3) The authority of the **Company's Board of Directors** to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in section 73(3) is not limited or restricted by this Memorandum of Incorporation.
- (4) The authority of the **Company's Board of Directors** to determine the manner and form of providing notice of its meetings, as set out in section 73(4) is not limited or restricted by this Memorandum of Incorporation.
- (5) The authority of the **Company's Board of Directors** to proceed with a meeting despite a failure or defect in giving notice of the meeting, as set out in section 73(5) is not limited or restricted by this Memorandum of Incorporation.
- (6) The quorum requirement for a **Directors** meeting to begin, the voting rights at such a meeting, and the requirements for approval of a resolution at such meeting, are as set out in section 73(5) [51% / a majority of the **Directors**].
- (7) Each **Director** has 1 (one) vote on a matter before the **Board**.
- (8) A simple majority of the votes cast on a Resolution is sufficient to approve a Resolution of the **Board of Directors**.
- (9) The Directors may meet to attend to their business, adjourn and otherwise regulate their meetings, as they think fit, subject to the provisions of the **MOI**.
- (10) Where a **Director** has a personal interest or a conflict of interest in respect of any matter before the **Board**, the said **Director** shall be entitled to attend any meeting of the **Board** at which such matter is discussed or decided, however, such **Director** shall not be entitled to vote in respect of the matter in which he has a personal interest or conflict of interest, and shall recuse himself from any deliberations on the issue.
- (11) Any **Director** who has such a personal interest or conflict of interest regarding any matter as mentioned in Article 4.3(11), shall be obliged to disclose such personal interest or conflict of interest to the **Board** forthwith.
- (12) Should there be an equality of votes for or against any Resolution of the **Board**, the Resolution shall be deemed to have been defeated.

- (13) The **Directors** shall cause the Minutes of each **Board-** and General Meeting to be kept in accordance with Sections 73(6) and (7) of the **Act**, which Minutes shall be reduced to writing within 7 (seven) days of the meeting and certified as correct by the Chairperson at the next meeting.
- (14) A copy of each Minute shall be delivered by the Chairperson to each **Director** within 14 (fourteen) days of the meeting to which such Minutes relate.
- (15) All Minutes of **Board** Meetings shall, after certification, be placed in the **Directors'** Minute Book, which shall be kept by the **Managing Agent** in accordance with the provisions of the **Act** relating to the keeping of Minutes of Meetings of Directors of Companies.
- (16) The **Directors'** Minute Book shall be open for perusal at all reasonable times by any **Director**, the **Auditors** and/or the **Members**.
- (17) Subject to the provisions of this **MOI**, the proceedings of any Directors' Meeting shall be conducted in such reasonable manner and form as the Chairperson shall direct.
- (18) A Resolution signed ("**in Writing**") by all the **Directors** shall be valid in all respects as if it had been duly passed at a meeting of the **Board of Directors**.
- (19) **Chairman:**
 - (a) The **Directors** will, at the first meeting after being appointed as such in terms of Article 4.1(1), elect a **Chairman** from their number to hold office as such for 1 (one) year or until the next Annual General Meeting, where after the newly elected **Directors** will elect a new **Chairman** at their first meeting after the Annual General Meeting.
 - (b) The **Chairman** elected shall hold his office until the Annual General Meeting next after his appointment, provided that the office of **Chairman** shall *ipso facto* be vacated by a **Director** holding such office upon him ceasing to be a **Director** for any reason. In the event of any vacancy of the aforesaid office occurring during the term for which the **Chairman** is elected, the **Vice-Chairman**, if any, shall act as such and the **Board of Directors** shall immediately appoint

one of their number as a replacement to the office of **Chairman** or **Vice-Chairman**.

(20) **Chairman** to preside at meetings:

Except as otherwise provided, the **Chairman** shall preside at all meetings of the **Board of Directors** and at all General Meetings of **Members** and in the event of him not being present within 5 (five) minutes of the scheduled time for the commencement of the meeting or in the event of his inability or unwillingness to act as **Chairman**, the **Vice-Chairman**, if appointed, shall preside at such meeting and failing him, a **Chairman** shall be elected from the ranks of the **Members** present, by the **Members** present.

4.4 Indemnification of Directors

- (1) The authority of the **Company's Board of Directors** to advance expenses to a Director, or indemnify a Director, in respect of the defence of legal proceedings, as set out in section 78(4) is not limited or restricted by this Memorandum of Incorporation.
- (2) The authority of the **Company's Board of Directors** to indemnify a Director in respect of liability, as set out in section 78(7) is not limited or restricted by this Memorandum of Incorporation.
- (3) The authority of the **Company's Board of Directors** to purchase insurance to protect the **Company**, or a Director, as set out in section 78(7) is not limited or restricted by this Memorandum of Incorporation.

4.5 Officers and Committees

- (1) The **Board of Directors** may appoint any officers it considers necessary to better achieve the objects of the **Company**.
- (2) The authority of the **Company's Board of Directors** to appoint committees of **Directors**, and to delegate to any such committee any of the authority of the **Board** as set out in section 72(1), or to include in any such committee persons who are not **Directors**, as set out in section 72(2)(a) is not limited or restricted by this Memorandum of Incorporation.
- (3) The authority of a committee appointed by the **Company's Board**, as set out in section 72(2)(b) and (c) may be restricted or limited by the **Board** when the committee is so established.

- (4) The **Directors** shall ensure that each committee is under the Chairpersonship of a **Director**.
- (5) The appointment of a committee shall be effected **in writing** with duly defined rights, powers and duties.
- (6) The **Directors** reserve the right to terminate the existence of any committee, or to withdraw or suspend any of the rights, powers and duties so delegated.
- (7) The Minutes of Meetings of each committee shall be promptly provided to the **Directors**.
- (8) The **Directors** furthermore reserve the right to remove any **Member** of a committee, without reasons being advanced therefor, and similarly, to appoint and/or co-opt further **Members** to such committee.
- (9) Each committee shall meet as frequently as deemed necessary (or as otherwise directed by the **Directors**).

4.6 Accounting records

- (1) The **Directors** shall cause such accounting records as are prescribed by Section 28 of the **Act** to be kept. Proper accounting records shall not be deemed to be kept if they are not kept sufficiently to fairly present the state of affairs and business of the **Company** and to explain and support the transactions and financial position of the **Company**.
- (2) The accounting records shall be kept or be accessible from the registered office of the **Company** during normal business hours of the **Company**.

4.7 Annual Financial Statements, Audit and Independent Review

- (1) The **Directors** shall from time to time, in accordance with Section 29 and 30 of the **Act**, cause to be prepared and laid before the **Company** in General Meeting, such Annual Financial Statements as are referred to in those Sections.
- (2) The **Company's** Annual Financial Statements shall be prepared in accordance with the provisions of Section 30 of the **Act** and is subject to either a statutory audit, or non-statutory audit by **Board** Resolution only, independent review or neither, if so required in

terms of Sections 30(2), 30(2A) and 30(7) and Regulations 26, 28 and 29.

- (3) In the event that the **Company** appoints an Auditor in terms of a **Board** Resolution as contemplated in Section 30(2)(b)(ii)(aa), the Auditor shall not be subject to Section 90 (Appointment of Auditor), Section 91 (Resignation of Auditors and vacancies), Section 92 (Rotation of Auditors), and Section 93 (Rights and restricted functions of Auditors) of the **Act**.
- (4) In terms of the **Act** and this **Memorandum of Incorporation**, a copy of the relevant Annual Financial Statements must be presented at the first Members Meeting after the statements have been approved by the **Board**, provided that such copy may be made available electronically to the **Members**.
- (5) A copy of any Annual Financial Statements which are to be laid before the **Company** in Annual General Meeting, in terms of Section 30(3)(d) of the **Act**, shall be included in the notice of the Annual General Meeting, at which it is to be considered.

4.8 Remuneration of Directors

Directors shall be entitled to reasonable remuneration for services rendered in their capacities as such, as determined by the **Members** in General Meeting and **Directors** shall further be entitled to be reimbursed in respect of all reasonable and proven expenses necessarily incurred by them respectively in or about the performance of their duties as Directors.

4.9 Powers and functions of Directors

- (1) The **Directors** may exercise all such powers which are required and/or ancillary to attaining the objects of the **Company**.
- (2) Unless otherwise resolved by way of an Ordinary Resolution at any General Meeting, the powers and functions of the **Directors** include, but are not limited to, the power to:
 - (a) Appoint and dismiss on behalf of the **Company**, a **Managing Agent**;
 - (b) delegate powers to a **Managing Agent** (including the power to appoint and dismiss employees for and on behalf of the **Company**);

- (c) institute legal proceedings to protect the rights of the **Company**, enforce the provisions of the **MOI** and/or Rules and to defend any legal proceedings brought against the **Company**;
- (d) open and conduct a banking account(s) for purposes of the **Company's** business;
- (e) disburse from the bank account(s), such operational- and capital expenditure as approved in the budget (and/or as raised by way of any additional- and/or special levy) and as otherwise may be authorized by the **Members** in General Meeting;
- (f) enforce compliance with the provisions of this **MOI** and the Rules and in the event of non-compliance, to impose sanctions and penalties in terms of the Rules, such penalties to be determined by the **Directors** from time to time;
- (g) enter into contracts necessary for the purposes of the objects of the **Company** and giving effect to the powers of the **Company** in its **MOI** and implementation of this **MOI**;
- (h) appoint committees with respect to security, environment, disciplinary- and such other ad hoc committees as deemed necessary, and to delegate to such committees, such powers and authorities as may be considered necessary, subject to any restrictions imposed or directives given at any General Meeting;
- (i) to invest funds of the **Company**, provided that 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 Number 97 of 1990), and in securities listed on stock exchange as defined in Section 1 of the Stock Exchanges Control Act, 1985 (Act Number 1 of 1985).

Article 5 – General Provisions

5.1 Dispute Resolution

- (1) Any dispute between the **Company**, and a **Member** or between **Members** arising out of or in connection with or related to the provisions of this **Memorandum of Incorporation** (including any or all of its Annexures) and concerning any of the rights/obligations of the parties, including any dispute as to the validity of the **MOI**, save where an interdict or any form of urgent and/or other relief may be required or obtained from a Court having jurisdiction, shall be determined in terms of these dispute resolution provisions.
- (2) Mediation:
 - (i) The parties will agree to the appointment of an independent person to act as mediator to the dispute.
 - (ii) If the parties are unable to agree to the appointment of a mediator, application will be made to the Association of Arbitrators, Southern Africa (AOA), for a suitably qualified mediator to be appointed.
 - (iii) The mediator shall endeavour to assist the parties to settle the dispute by agreement. The mediator shall not adjudicate the dispute, make any recommendations to the parties or advise any party on the merits of the dispute.
 - (iv) The mediator shall have the discretion to conduct the mediation in such a manner as he/she determines.
 - (v) The mediator shall be responsible for the administration of the mediation including the process and conduct of the mediation, which shall be done in an expeditious and cost-effective manner.
 - (vi) Should the mediator be unable to mediate the matter successfully within 10 (ten) days of being appointed, the matter will be deemed to have failed mediation.
- (3) Arbitration:
 - (i) In the event of the mediation failing, the dispute will automatically be referred to arbitration.

- (ii) In the event of a dispute between the **Company** and a Member or between Members arising out of or in connection with or related to provisions of this Memorandum of Incorporation, the **Act** or the Rules, save where an interdict or any form of urgent or other relief may be required or obtained from a Court having jurisdiction, shall be determined in terms of these provisions.
- (iii) Notwithstanding the provisions of Article 5.1(3)(ii), any dispute concerning the payment of monies due to the **Company**; shall be excluded from arbitration and mediation.
- (iv) If a dispute or complaint arises, the aggrieved party shall notify the other affected party or parties **in writing** and copies of such notification shall be served on the **Board** and, if appointed, the **Managing Agent**, and should the dispute or complaint not be resolved within 14 (fourteen) days of such notice, either of the parties may demand that the dispute or complaint be referred to arbitration.
- (v) Having regard to the nature and complexity of the dispute or complaint and to the costs which may be involved in the adjudication thereof, the parties shall appoint an arbitrator who shall be an independent and suitably experienced and qualified person as may be agreed upon between the parties to the dispute.
- (vi) If the parties cannot agree as to the person of the arbitrator to be appointed in terms of Article 1.3(4)(d) within 5 (five) days after the arbitration has been demanded, the auditors of the **Company** shall, upon written application of any of the parties, appoint **in writing**, an arbitrator within 7 (seven) days after they have been required to make the appointment.
- (vii) The arbitration shall be held informally or otherwise as the arbitrator may determine in his own discretion. The arbitrator shall have the right to demand that the party demanding the arbitration furnish the arbitrator with security for payment of the costs of the arbitration in such amount and form as the arbitrator may determine, failing which the arbitration shall not be proceeded with. If such failure to furnish security for payment persists for longer than 7 (seven) days after demand for security for payment was made, the other party shall be entitled to abandon arbitration proceedings.

- (viii) The intention being that the arbitration shall be concluded within 45 (forty five) days after an arbitrator has been appointed or security for costs has been furnished.
 - (ix) The arbitrator shall make his/her award within 7 (seven) days from the date of the completion of the arbitration and shall, in making his/her award, have regard to the principles laid down in terms of the Memorandum of Incorporation and the Rules thereunder. The arbitrator may determine that the costs of the arbitration be paid by any one of the disputing parties or any of them jointly or in such shares as he/she may determine and as he/she in his/her discretion may deem appropriate, having regard for the outcome of the arbitration.
 - (x) In making an award of costs, it shall be competent for the arbitrator to award costs against the **Company** on the basis that the member in whose favour the award was made, shall be excluded from contributing to such costs through his general levy and/or any special levy contributions.
 - (xi) The decision of the arbitrator shall be final and binding and may be made an Order of the High Court upon application of any party to, or affected by, the arbitration.
 - (xii) The provisions of the Arbitration Act, No. 42 of 1965 shall be applicable.
 - (xiii) Notwithstanding that the Arbitration Act, No. 42 of 1965 makes no provision for joinder of parties to an arbitration without their consent thereto, should a dispute arise between the **Company** and a **Member** or more than one **Members** or between a number of **Members** arising out of the same or substantially the same cause of action, or where substantially the same order would be sought against all the parties against whom the dispute has been declared, such parties shall be joined in the arbitration by notice thereof to such other parties as soon as possible after commencement of the arbitration proceedings, but in any event, not later than 10 (ten) days prior to the arbitration hearing.
- (4) The **Board** must publish any notice or rules made in terms of section 15(3) – (5) by delivering a copy of those Rules to each **Member** by ordinary mail and/or telefax and/or e-mail. The Rules

are available for inspection at the office of the Company at all times within business hours and a copy will be made available against payment of the reasonable fee as determined by the **Board of Directors** from time to time.

- (5) The **Company** must publish a notice of any alteration of the Memorandum of Incorporation or the Rules, made in terms of section 17(1) by delivering a copy of the notice and altered Memorandum of Incorporation or the Rules, to each **Member** by ordinary mail and/or telefax and/or e-mail.
- (6) All Rules made by the **Board of Directors** must be ratified by the **Members** of the **Company** at the General Meeting following the publication of the Rules to the **Members**.
- (7) Any Rules issued by the **Directors** with regards to conduct of **Members** or any other matter, in force on the date before this Memorandum of Incorporation is accepted by the **Members**, will remain of force and effect as if they were issued in terms of Article 1.3(2).
- (8) The **Company** may itself, through the **Members** in General Meeting, make any Rules which the **Directors** may make in terms of Article 1.3(2) and may likewise vary or modify any Rules made by it or the Directors from time to time.

5.2 Rules

In accordance with the provisions of Section 15 of the **Act**, the Rules as set out in Schedule 1 hereto, are effective as at the **Effective Date**, which Rules may from time to time be amended, supplemented or repealed in accordance with the provisions of the Memorandum of Incorporation and the **Act**. Any Rules made, amended or repealed by the **Board** of the **Company** from time to time shall be published in accordance with the following requirements:

- (a) Any alteration of the Memorandum of Incorporation or the Rules made in terms of Section 17(1) shall be published to the **Members** of the **Company** by delivering a copy of the altered Memorandum of Incorporation or the Rules to each **Member** by ordinary mail, alternatively by telefax and/or e-mail.
- (b) Any Rules made from time to time by the **Company's Board of Directors** or the **Company** in terms of Section 15(3) – (5), or any amendment or repeal thereof, shall be published to the **Members** of the **Company** by delivering a copy of those Rules to

each **Member** by ordinary mail, alternatively by telefax and/or e-mail.

- 5.3** The Rules concern all matters referred to in Article 1.3(2), and the conduct of **Members**, residents and visitors of the **Township**, including Guidelines concerning any improvements, encroachments on **Common Property** and alterations thereto, to the extent that such improvements/alterations may influence the aesthetical and harmonious appearance of the **Township**.
- 5.4** Save to the extent that the Rules as set out in Schedule 1 hereto were amended, the Rules issued by the **Directors** or the **Company** with regards to conduct of **Members** or any other matter, in force on the date before this Memorandum of Incorporation is accepted by the **Members**, will remain of force and effect as if they were issued in terms of Article 1.3(2).

Schedule 1

Rules

Introduction:

These Rules are intended to preserve the prime objectives of the **Company**, namely to protect and advance the communal interest of owners, occupants, visitors and users of any of the properties comprising the **Township**, to set uniform standards for development of the properties within the **Township**, to regulate the use by owners, members and occupiers of common areas within the **Township** and to set Rules and standards which will protect the rights of all interested parties and will promote good neighbourliness.

These Rules may be amended from time to time by the Directors of the **Company** in accordance with the provisions of Section 15 of the Act.

These Rules comprise of:

- (A) **Conduct Rules**
- (B) **Security : Access Policy and Procedures**
- (C) **Contractor's / Owner Builder's Standard Code of Conduct**

Definitions:

In these Rules the following words shall, unless the context otherwise requires, have the meanings hereinafter assigned to them:

- (i) **"Board"** : Means the Board of Directors of the **Company** from time to time in office;
- (ii) **"Common Property" or "Communal Property"** : Means all areas comprising the **Township** but excluding the **Units**;
- (iii) **"Company"** : Means the Eldopark Home Owners Association (NPC), a pre-existing Non-profit Company which adopted a Memorandum of Incorporation to conform with the provisions of the Companies Act, 71 of 2008;
- (iv) **"HOA"** : Means the Eldopark Home Owners Association (NPC), Registration No.: 1995/009268/08;

- (v) **“Levies”** : Means all contributions levied from time to time by the Directors upon **Members** for the purpose of meeting all the expenses which the **Company** has incurred or which the Directors reasonably anticipate the **Company** will incur in the attainment of its objects and the pursuit of its business, and as more fully stipulated in the **Memorandum of Incorporation**;
- (vi) **“Managing Agent”** : Means any person or body or an estate agent as defined in the Estate Agents Act, Act 112 of 1976, appointed by the **Company** as an independent contractor from time to time;
- (vii) **“Member” / “Members”** : Means any person who is reflected in the Deeds Registry of the relevant Deeds Office as the registered owner of a **Unit** in the **Township**;
- (viii) **“Memorandum of Incorporation” (“MOI”)** : Means the Memorandum of Incorporation of the **Company** (Form CoR 15.1E, amended);
- (ix) **“Owner”** : Means the owner or co-owner of a **Unit** in the **Township**;
- (x) **“Township” / “Estate” / “Eldopark Estate”** : Means all the property/ies comprising the Eldopark Estate;
- (xi) **“Unit”** : Means an erf or any subdivision and/or subdivision thereof in the **Township** or a Unit established in terms of the Sectional Titles Act, Act 95 of 1986, within the **Township**.

- (xii) Words importing -
 - (i) the singular shall include the plural and vice versa;
 - (ii) the masculine gender shall include females; and
 - (iii) persons shall include partnerships, trusts and corporate bodies, and vice versa.
- (xiii) Head notes to paragraphs in this **MOI** are inserted for purposes of reference only and shall not affect the interpretation of provisions to which they relate.
- (xiv) Reference to the **MOI** means this **Memorandum of Incorporation**, including all schedules and annexures hereto.
- (xv) Any word or expression which is defined in the Act and which is not otherwise defined in these Rules shall have the meaning assigned thereto in the Act as in force at the date of incorporation of the **Company**.
- (xvi) These Rules shall be deemed to authorise the **Company** to do anything which the Act empowers a Company to do if so authorized by its **MOI** unless that authority is expressly excluded.

(A)

CONDUCT RULES

PART A
INTRODUCTION

- 1.1 The prime objective of ELDOPARK Home Owners Association (NPC) (hereinafter referred to as "*the HOA*") is to promote, enhance a high quality lifestyle and protect the communal interests of its Members. This is done through the management of the development of residences and related facilities (parks, outbuildings, etc.) with an appropriate set of house rules.
- 1.2 These Conduct Rules (hereinafter referred to as "*the Rules*") have been formulated in terms of article 1.3(2) of the Memorandum of Incorporation of the HOA and are binding upon all the Owners of stands(hereinafter referred to as "*the Members*") and their successors in title, or assignees.
 - 1.2.1 It is the sole responsibility of the Members to familiarize themselves with the stipulations of the Memorandum of Incorporation of the HOA and furthermore to ensure that their families, lessees, visitors, friends and their contractors and employees comply with the Rules.
 - 1.2.2 General consideration by all residents for the Rules and each other will greatly assist in assuring peaceful coexistence in the ELDOPARK ESTATE.
- 1.3 The HOA is responsible for the enforcement of the Rules. It does not act as a mediator where owners and/or residents have a difference or a dispute or a quarrel regarding the co-ownership of a boundary wall, the natural flow of water, the invading of privacy of another owner, or any other matter that is regarded by the HOA as a matter between owners and/or residents. It is also the sole responsibility of the Members to ensure that their families, tenants, visitors, friends and their contractors and employees comply with the Rules.
- 1.4 The Rules as well as any decision made by the Board are final and binding on all Members upon interpretation of the said rules and/or decision.
- 1.5 The Rules are also subject to modification and amendment by the Board and where necessary at the General Meeting of the Association should it be deemed necessary for maintaining the orderly and content co-existence of the Members.
- 1.6 These Rules are also binding on tenants, employees, visitors and contractors.

2. **Membership**

- 2.1 Membership of the Company is limited to such persons (natural person or a juristic entity), who is reflected in terms of the Deeds Registries Act, No. 47 of 1937, in the records of the Deeds Office concerned, as the registered owner of a Unit in the Township and who will be bound by the provisions of the Companies Act, 2008, this MOI and any Rules made and incorporated hereunder.

- 2.2 Where any Unit(s) in the Township is owned by more than one person, all the registered owners of that Unit(s) shall together be deemed to be one Member of the Company and have the rights and obligations of one Member of the Company; provided however that all co-owners of a Unit(s) shall be jointly and severally liable for the due performance of any obligations towards the Company.
- 2.3 Subject to the provisions of Rule 2.1, application for Membership of the Company shall be made to the Board in writing.
- 2.4 When application is made for membership of the **Company** by a person, such person shall declare himself bound by the terms and conditions of this Memorandum of Incorporation and any Rules made thereunder and such person shall be deemed to have acquainted himself with the terms and conditions thereof.
- 2.5 All Members who are Members of the Company at the time this Memorandum of Incorporation is adopted, shall remain Members of the Company by virtue of them being the registered owners of Unit(s) in the Township.
- 2.6 Membership of the HOA is terminated as soon as the Member ceases to be a registered owner of a stand or unit in ELDOPARK ESTATE.
- 2.7 The registered owner of a stand or unit may not resign as a Member of the HOA.
- 2.8 The rights and obligations of a Member are not transferable independently from the transfer of his property rights, and each Member shall:
 - (i) to the best of his ability promote the interests and aims of the HOA, and
 - (ii) strictly comply with all rules made by the HOA.

PART B
RULES PERTAINING TO MANAGEMENT OF ELDOPARK ESTATE

3. **Directors**

- 3.1 Matters pertaining to the HOA are managed by the Board which may exercise all competencies due to the HOA, subject to such Resolutions as may from time to time be resolved at a General Meeting of the HOA. No Resolution which the Members of the HOA may take at a General Meeting will invalidate any preceding act of the Board, provided that such act had not been inconsistent with existing Rules or Resolutions at that time.

4. **Levies**

- 4.1 The **Directors** may from time to time determine the **Levies** payable by the **Members** for the purpose of meeting all the expenses which the **Company** has incurred, or to which the **Directors** reasonably anticipate the **Company** will be put in the attainment of its objects or the pursuit of its business.
- 4.2 The **Directors** shall not less than thirty days prior to the end of each financial year or so soon thereafter as is reasonably possible, publish a notice indicating an estimate ("**estimate**"), in reasonable detail, of the amount which shall be required by the **Company** to meet the expenses during the following financial year, and shall specify separately such estimated deficiency, if any, as shall result from the preceding year. The **Directors** may include in such estimate an amount to be held in reserve to meet anticipated expenditure not of an annual or recurring nature. The aforesaid **estimate** shall be subject to ratification and/or amendment by the **Members** in General Meeting at the first next Annual General Meeting after the termination of the **estimate**.
- 4.3 Each notice to each **Member** shall specify the contribution (levy) in accordance with the **estimate**, payable by that **Member** to such expenses and reserve fund.
- 4.4 The annual levy for the ensuing financial year or any special- or other levy to be implemented, shall become due and payable on the passing of a **Board** Resolution to that effect, or the publication thereof as envisaged in Article 1.3(5).
- 4.5 The annual levy shall be payable in equal monthly instalments due in advance on the 1st day no later than the 7th of each and every month of each financial year, provided that **Members** in General Meeting may give directions to the **Directors** to deviate from this arrangement.
- 4.6 Any special- or other levy shall be payable in a form that the **Directors** may direct, subject to the approval of **Members** in General Meeting by a mere majority and/or in terms of such directions as the **Members** may impose at any General Meeting.

- 4.7 In the event of the **Directors** for any reason whatsoever failing to prepare and timeously serve the notice referred to in Rule 4.2 above, every **Member** shall until served with such notice, continue to pay the levy previously imposed and shall after service of such notice pay the levy specified therein. A **Member** shall pay any deficit (comprising the difference between the levies payable during the previous financial year and the new levy imposed, if any) within 30 (thirty) days of receipt of the notice specifying the new contribution payable by the **Member**.
- 4.8 Upon the change of ownership of a **Unit**, the successor in title becomes liable for the pro-rata payment of contributions from the date of change of such ownership.
- 4.9 The **Directors** may from time to time impose special **Levies** upon the **Members** in respect of all expenses as are mentioned in Rule 4.1 which are not included in any estimate made in terms of Rule 4.2.
- 4.10 All **Levies** and any special **Levies** referred to in Rule 4.7, become due on the passing of a Resolution to that effect and may be recovered by the **Company** by action in any competent Court having jurisdiction, from the **Member(s)** who were owner(s) of the **Unit(s)** at the time when such Resolution was passed.
- 4.11 The **Directors** shall be empowered in addition to such other rights as the **Company** may have in law against its **Members** to determine the rate of interest from time to time chargeable upon arrear **Levies**. Should the **Directors** fail to make any determination of the interest rate, then and in that event, the prescribed rate of interest, as may be applicable from time to time in terms of the Prescribed Rate of Interest Act, Act No. 55 of 1975, shall be applicable and which interest rate at adoption of this Memorandum of Incorporation is 15,5% per annum. Interest shall be calculated monthly in arrears and compounded.
- 4.12 The obligation of a **Member** to pay a levy and interest shall cease upon his ceasing to be a **Member** without prejudice to the **Company's** right to recover arrear **Levies** and interest and penalties, fines and other amounts due to the **Company**. No **Levies**, interest, penalties, fines or other amounts paid by a **Member** shall under any circumstances be repayable by the **Company** upon his ceasing to be a **Member**. A **Member's** successor in title to a **Unit** shall be liable for payment of **Levies** as from the date upon which he becomes the registered owner of the **Unit** as reflected in the Deeds Registry.
- 4.13 No **Unit(s)** registered in a **Member's** name shall be capable of being transferred without a Clearance Certificate as referred to in Article 1.5(5)(5.6) first being obtained from the **Company**, confirming that all **Levies** (including payment of 3 (three) months' levies in advance), penalties, fines or other amounts due and interest have been paid up to and including date of registration of transfer thereof.
- 4.14 A **Member** shall be liable for and pay all legal costs, including costs as between attorney and own client, collection commission, expenses and

charges incurred by the **Company** in obtaining the recovery of arrear **Levies**, penalties, fines, interest or any other arrear amounts due and owing by such owner to the **Company** or in enforcing compliance with the **Act**, the provisions of this Memorandum of Incorporation, or the Rules.

- 4.15 The **Directors** may from time to time determine a charge to be levied against **Members** in arrears, as an administration charge payable to the **Company** or to the **Managing Agent**. Any administration charges so levied shall be subject to review of the **Members** in General Meeting.
- 4.16 Interest imposed by the **Directors** shall be subject to review by the **Members** in General Meeting and shall not exceed any limitations set by legislation.
- 4.17 All payments made by a **Member** and received by the **Company**, shall be allocated firstly towards interest, legal costs and thereafter towards capital. The **Board** reserves the right to allocate payments as they deem fit in the absence of an express allocation by the **Member**. In the absence of an express allocation by the **Board** or the **Member**, all payments will be allocated to the debt newest in time.
- 4.18 **Members** shall further have the rights and obligations as specified in the Rules incorporated in this Memorandum of Incorporation and as may be amended from time to time.
- 4.19 Should a **Member** fail to effect payment of contributions (annual and/or special) levied in terms of the **MOI** on due date, the full outstanding balance remaining unpaid for the financial year shall become due and payable without notice and/or demand but the **Board** may at their sole election and discretion agree to a re-payment arrangement with the **Member** concerned and subject to such conditions as the **Board** may impose. The **Board**, in managing the financial obligations and cash flow requirements of the **Company**, may at their sole election and discretion agree to reduce, vary or discount the full outstanding balance remaining unpaid by a **Member**, subject to such conditions as the **Board** may impose and subject further to the ratification by the **Members**, with or without amendment, at the next General Meeting of the **Company** following such determination.
- 4.20 Where a demand is made by the HOA in respect of payment of an arrear levy, an additional administrative charge shall be levied at R100-00 for each demand and this administrative charge shall be subject to amendment by the **Board** from time to time and subject to ratification/adjustment by **Members** in General Meeting.
- 4.21 Any Member whose account is in arrears for a period in the excess of 60 days may: have his/her biometric / electronic access to the Estate deactivated. In such an event the Member shall be required to enter and exit using the manual system as a visitor. Access to the Estate will be activated 24 hours after the outstanding account has been settled.

5. **General Meetings**

- 5.1 The Board will convene General Meetings as required in terms of the MOI and the relevant notification will accordingly be given to all Members.
- 5.2 The Board must include in the Notice of Meeting, such information as are referred to in Section 62(3) of the Act (Article 3.4 and Article 3.10). A Member is entitled to be represented at a General Meeting by proxy.
- 5.3 The Board must draft rules that must be followed during the voting process at General Meetings which must be sent to the Members together with the Notice and the Agenda of the General Meeting.

6. **Use of Stands/Living Units**

- 6.1 A stand must be used solely for residential purposes by the Member himself, his family or tenants and a maximum of two domestic workers.
- 6.2 A Member may not change the utilization of his stand or residential unit either by rezoning or City Council's approval or by any other means without obtaining written approval from the HOA. No duets' are to be developed on residential 1 stands.
- 6.3 No business activity may be conducted on any stand or unit.
- 6.4 No hobby or activity which in the opinion of the HOA constitutes an aggravation or nuisance to Members, including a Jumble sale, maybe conducted on any stand or unit.
- 6.5 No property may be utilized as a commune and no person may occupy a caravan parked on the property of an owner or resident.
- 6.6 No large business/delivery vehicles are allowed to be parked or stored on any stand, unless completely screened from the street and from their neighbour's property.
- 6.7 In the event of a Member not residing at his/her property himself/herself, and rents his/her property, this rental may only be done to a single private person or family - rental to business entities is not permitted. Simultaneous rental to various private individuals is not permitted.
- 6.8 A Member residing at his/her property may not sub-let his/her premises.

7. **Tenants, Visitors, Contractors and Employees**

- 7.1 Should a Member let his property, he or she shall notify the HOA in writing, in advance of the occupation, the name and particulars of the tenant and the period of such lease.

- 7.2 The tenant acknowledges that, upon occupation of the leased premises, he/she and his/her family, visitors and servants shall adhere to these Rules. Members must ensure that a copy of the Rules is placed in the possession of a tenant.
- 7.3 Where tenants continuously breach any rule the Member can be requested to terminate the lease agreement and/or be held liable for the maximum fine allowed under these Rules. This Rule must form part of the lease agreement. Where a tenant fails to honour the monthly HOA levies, the Member will be held liable for such outstanding levies and penalties/fines relating to such defaulting tenants.
- 7.4 A Member or tenant of any property within the ELDOPARK ESTATE is liable for the conduct of their visitors, contractors and employees, and must ensure that such persons adhere to these Rules.
- 7.5 A Member or tenant of any property within the ELDOPARK ESTATE is allowed to have the following number of visitors and vehicles according to booking procedure's stipulated in 18.13 of the House Rules.
- 7.6 Residents, their visitors, and contractors will be held liable for damages caused to Eldopark property, gardens and infrastructure caused either by wilful or negligent behaviour on their behalf.
8. **Pets**
- 8.1 The Local Authority by-laws relating to pets are applicable and will be strictly enforced.
- 8.2 A Member or tenant may not keep more than two dogs on their property without the written permission of the HOA.
- 8.3 Poultry, pigeons, aviaries, wild animals or livestock may not be kept on the ELDOPARK ESTATE.
- 8.4 Pets are not permitted to roam the streets and dogs must be kept on a leash in all areas at all times.
- 8.5 Should animal excrement be deposited in a public area the pet owner shall be responsible for the immediate removal thereof.
- 8.6 Every pet must wear a collar with a tag indicating the name, telephone number and address of its owner. Stray pets without identification tags will be impounded and handed to the SPCA.
- 8.7 The HOA reserves the right to request the Member or tenant to remove his/her pet should it become a nuisance.
- 8.8 Where pets become a nuisance and where owners do not comply to municipal regulations regarding animal control/behaviour and complaints received by fellow residents, and after warnings issued by the HOA to such

owners, the matter will be handed over to the local authorities requesting the pets to be removed from Eldopark without prejudice to the HOA to take appropriate further action.

8.9 No animal slaughtering.

9. **Screen-and Boundary Walls and Fences**

9.1 Construction of screen-and boundary walls form an integral part of the construction work done on a stand, and is consequently subject to the approval by the Aesthetics Committee.

9.2 No prefabricated concrete walls may be erected.

9.3 All screen-and boundary walls, fences, hedges and pavements must at all times be maintained and kept in a neat and tidy state. Members are responsible to ensure that the integrity of boundary walls are not compromised by encroaching trees, shrubbery, water accumulation and any other conditions within their control.

9.4 Members and tenants shall take the necessary steps to ensure that the security infrastructure surrounding the ELDOPARK ESTATE is not damaged and/or removed.

9.5 No Member or tenant may substitute the existing fence/wall surrounding the ELDOPARK ESTATE with any alternative without prior written consent from the HOA.

9.7 No signboards (for advertisements, show houses, businesses or any other signboards) are allowed to be fixed against or on top of the security wall/fence or displayed over it.

9.8 All other signboards within the boundaries of the ELDOPARK ESTATE are to be displayed only according to the rules determined by the HOA.

9.10 Members or tenants must allow, and provide, access to Eldopark staff to either inspect or maintain the electric fence erected upon the boundary wall at agreed upon intervals. Eldopark holds the right to trim and remove any unwanted trees and shrubbery affected the proper functioning of the electric fence. Depending on the nature of such removal, Members can be held liable therefor.

10. **Distribution and display of Marketing Material.**

10.1 The door-to-door distribution of publications, leaflets, brochures or any marketing material is prohibited in the ELDOPARK ESTATE without the permission of the HOA.

10.2 Any person who seeks to distribute such publications, leaflets, brochures or marketing material must apply in writing to the HOA fully motivating such an

application. The application should be accompanied by the prescribed fee referred to in sub-rule 10.7.

- 10.3 The Board may, at its sole discretion and on such conditions it may under the circumstances deem necessary, grant permission for a single issue or, for a period not longer than one year, for the distribution of such publications, leaflets brochures or marketing material if it is satisfied that, inter alia -
- (a) such distribution will not compromise the security in the ELDOPARK ESTATE;
 - (b) should the applicant be a Member or tenant, no business referred to in the said publications, leaflets, brochures or marketing material is conducted in an unauthorized manner at the residential property of the applicant.
- 10.4 No material regarded by the Board as offensive will be considered.
- 10.5 Any approved distribution compromising either the security or the tidiness of the ELDOPARK ESTATE, or transgressing its approval conditions, may result in the approval for distribution being withdrawn.
- 10.7 A fee will be charged by the HOA for each door-to-door issue in the ELDOPARK ESTATE.
- 10.8 Advertisement can be published in the Eldopark newsletter and on Social Media.
- 10.9 No distribution of publications, leaflets, brochures, or marketing materials may take place at the entrance gates to the ELDOPARK ESTATE.
- 10.10 Estate agents and Members are not permitted to erect "for sale" and/or "for show" and/or "to let" signage boards without the permission of the HOA.

11. **Good neighbourliness**

- 11.1
- 11.1.1 The volume of music, electrical instruments and any other object of such a nature should be kept at acceptable levels so as not to create a nuisance to neighbours.
 - 11.1.2 Parties should be kept at an acceptable level so as not to create a nuisance to neighbours. Residents should inform the Eldopark Office of such an event. Members are not allowed to use their residence/stand to conduct any private function that, within the discretion of the board of directors have the potential or may cause nuisance or discomfort to any Member, depending on the nature and extent of the private function to be held.

- 11.1.3 Members and tenants are responsible to ensure that people who are present on their premises adhere to sub-rules 11.1.1 and 11.1.2.
- 11.2 Washing lines, drying racks and the drying of washing must be concealed from the street and neighbour's natural ground level.
- 11.3 Refuse, refuse bins (except on official collection days) and garden refuse bags may not be placed on the pavement. Garden refuse must be removed on the same day.
- 11.4 Members and tenants must ensure that air conditioners or any other apparatus are kept on the prescribed level of the relevant municipal bylaw and aesthetic rules the HOA.
- 11.5 Gardeners are allowed to work during weekdays from 06h00 - 18h00 and Saturdays/Public holidays from 08h00 - 17h00. Sunday garden work is not allowed when using machinery, i.e. any electrical and fuel driven equipment that may cause noise nuisance.
- 11.6 In the event of annoyance or complaints, the parties involved should attempt as far as possible to settle the matter between themselves, exercising due tolerance, reasonableness and consideration.
- 11.7 The HOA, the Executive Manager and the security personnel will not get involved in neighbourhood squabbles other than to enforce the MOI Rules.
- 12. **Ensuring a pleasing streetscape**
- 12.1 Each Member and tenant is responsible for maintaining the area between the curb and the boundary of his or her property in a clean and pleasing condition. The HOA can compel the owner or tenant to improve the aesthetic appearance of this area when deemed necessary, at the cost of the Member or Tenant, and where the Member or Tenant fails to comply, impose a fine at the discretion of the board of directors.
- 12.2 Garden fences and/or walls and outbuildings forming part of the streetscape should be regularly maintained and painted where necessary.
- 12.3 The HOA has the right to effect repairs at the cost of the owner should it be considered necessary if the owner neglects to respond to a written request by the Executive Manager to do so.
- 12.4 Building material may under no circumstances be dumped on the sidewalks or streets. The Member or tenant will be liable for all damages in this regard. The owner must place a suitable container to contain all building waste on the stand at the commencement of any alterations to an existing house or the building of a new house.
- 12.5 No trees, plants, lawns or pathways planted or developed by the HOA may be damaged or removed without the permission of the HOA.

- 12.6 Streetscapes should not restrict pedestrian traffic and therefore no concrete balls, hard elements or otherwise will be permitted anywhere on the sidewalk. Planting should not interfere with pedestrian traffic or obscure the vision of motorists.
- 12.7 No "Wendy Houses" or "garden sheds" or similar types of structures may be erected other than that prescribed/approved by the HOA. If the Member or tenant refuses to remove such structures, the HOA may remove such structures at the cost of the Member or tenant. These structures may not be used for any form of accommodation or for business purposes. All existing permissions will lapse once the property is sold. These structures must be removed at the Members cost prior to the occupation of the new Member or tenant. The new Member or tenant must inform the HOA in writing if the existing structure will remain on the property.
- 12.8 Caravans, trailers, boats, equipment, tools, engine and vehicle parts, as well as accommodation for pets should be located out of view and screened from neighbouring properties and the street. Failure to comply to this rule can result in fines being imposed on Members at the discretion of the board of directors.
- 12.9 Sidewalks and parks form part of the property of the HOA. Members and tenants may not erect any personal structure like a fountain or wall on the sidewalk or parks.

12.10 **Doll's House**

No doll's house shall be erected unless prior written permission has been granted by the EHOA, subject to the following conditions:

- 12.10.1 In the event that a doll's house is fitted with electrical connections, a qualified electrician must declare that the electrical installation has been carried out in accordance with the requirements of the Occupational Health and Safety Act and any other Act or Regulation pertaining to electrical installations made there under. The Member must submit a copy of the Certificate of Compliance.
- 12.10.2 Permission from the HOA will be in writing and will only be for the use of the structure as a doll's house. This permission will expire annually on 30 June and the onus rests with the Member to apply for the following year's permission. Failure to do so, can result in further penalties or the doll's being removed by the HOA.
- 12.10.3 The floor area of the doll's house may not exceed 6m², measured externally.
- 12.10.4 In the event of the doll's house being visible from a street or an open area (park), the application for said permission for the

doll's house will only be considered if the position has been approved by the aesthetics committee. This will require the submission of a layout plan indicating the position of the doll's house as well as all other structures and boundary walls on the property.

- 12.10.5 The doll's house may not be elevated above ground level.
- 12.10.6 The roof of the structure may not be unpainted corrugated iron.
- 12.10.7 The doll's house will be maintained throughout its life on the standard as originally approved by the HOA.
- 12.10.8 The HOA may from time to time cause inspections to be carried out to ascertain whether the doll's house complies with the conditions set out above.
- 12.10.9 It is a pre-requisite of issuing a clearance certificate for transfer of a residence that the structure must be removed.
- 12.10.10 In the event of a doll's house not complying with any of the above the penalty for the transgression of an aesthetical rule will be charged monthly until the transgression has been corrected or the structure has been removed.

13. **Fines and Penalties**

- 13.1 The Directors shall be entitled to implement a system of fines and penalties from time to time in order to deter any contravention of these Rules and to ensure the due enforcement of these Rules.
- 13.2 Any penalties imposed by the Directors are subject to adjustment and/or ratification by members in General Meeting.
- 13.3 In the event of contravention of any of these Rules, the following procedure will be followed and implemented by the Directors/**Managing Agent**:
 - (i) A letter of demand incorporating a penalty will be sent to the member, specifying the nature of the breach and demanding him to remedy the breach where applicable, within a period of 10 (ten) days from date of demand;
 - (ii) Should the member fail to adhere to the demand letter and to remedy the breach and/or to pay the fine or penalty then, unless written objection is received by the owner concerning the alleged contravention, the prescribed penalty shall be implemented and levied against the member's levy account and shall be enforceable, as if such penalty or fine constitutes a normal levy;
 - (iii) If the transgression or payment of the penalty/fine is disputed and upon receipt of any written objection ("**the objection notice**") from the

Member, a Committee of 3 (three) **Directors** appointed by the **Chairman** for this purpose, shall convene a meeting with the **Member** within a period of 10 (ten) days, or as soon as reasonably possible after receipt of the **objection notice**, to adjudicate upon the issue. The meeting shall take place at a venue and time, and in accordance with such procedure, as the **Chairman** of the Committee shall direct; provided that the Rules of natural justice shall be observed and at which meeting the **Member** shall be entitled to address his objection and to call witnesses.

- (iv) The decision of the **Board** shall be final unless objected to in writing within 10 (ten) days from notification of their decision;
- (v) Should the **Member** refuse to accept the decision of the **Committee** on any matter, such dispute shall then be referred to mediation and/or arbitration in terms of these Rules;
- (vi) Any fine imposed upon any **Member** will be deemed to be a debt due by the **Member** to the **Company** and shall be recoverable by ordinary civil process.

PART C
STREETS

13. Rules of the streets

- 13.1 The streets of ELDOPARK ESTATE are for the use of all residents, whether it be on foot, bicycle, motorcycle, trucks, delivery vans, busses or cars.
- 13.2 Cars are considered to be part of the street environment, but not necessarily the dominating factor.
- 13.3 The National Road Traffic Act, 1996 (Act No. 93 of 1996), and the Regulations made there under, as well as the by-laws of the TSHWANE Metropolitan Municipality, shall apply to the streets in the ELDOPARK ESTATE.
- 13.4 The following rules are, notwithstanding rule 13.3, applicable to the streets in the ELDOPARK ESTATE:
- (a) The streets are for the use of all residents of the ELDOPARK ESTATE, their visitors, contractors and emergency vehicles.
 - (b) The speed limit is restricted to 30km per hour.
 - (c) All traffic signs on the streets must be adhered to.
 - (d) No Member, a member of their household, their guests or lessees may use the communal areas situated at Park 1 and Park 2 as a parking facilities for any type of vehicle.
 - (e) The use of any motor vehicle with e.g. noisy exhaust systems is prohibited.
 - (f) Only licensed persons may drive any engine-powered vehicle on the streets of the ELDOPARK ESTATE.
 - (g) Only licensed motorcycles and motorized vehicles may be driven on the streets of the ELDOPARK ESTATE.
 - (h) Parents must oversee the safety of their children on the streets of the ELDOPARK ESTATE.
 - (i) No person may drive any vehicle that requires the driver by law to wear a helmet without a helmet.
 - (j) No vehicle, except a vehicle that is ordinary used for transporting goods, may park on a loading zone.
 - (k) Failure of residents, tenants, visitors, contractors and service providers to adhere to aforementioned traffic rules and regulations, can be fined and/or penalised by the HOA. The nature of such fines/penalties will be determined by the board of directors.

PART D
ENVIRONMENT

14. Environmental management

- 14.1 No rubble or refuse should be dumped or discarded in any public area, including the parks, streets, sidewalks or vacant stands. Residents failing to comply, or the visitors/contractors visiting such residents, will be fined as deemed fit by the board of directors.
- 14.2 Members and tenants and their guests must leave any open space they visit in a clean condition. Members and tenants should also develop the habit of picking up and disposing of any litter encountered in the open spaces.
- 14.3 All functions will be permitted in designated areas. An application for the approval to hold a function in a designated area must be lodged with the Estate Manager on the prescribed form and the payment of such fee and deposit as may be determined by the HOA and must be made not later than 14 days prior to the event. The area must be cleaned up after the event. Failure to do so shall result in the forfeiture of the deposit (if applicable). No open fire is permitted in a designated area other than provided by the HOA.
- 14.4 Flora may not be damaged or removed from any public area.
- 14.5 Fauna of any nature may not be chased, trapped or killed in any area of the Estate.
- 14.6 Members and tenants shall maintain a high standard of garden and pavement maintenance.
- 14.7 Members and tenants should ensure that declared noxious flora are not allowed to grow in their gardens.
- 14.8 Floodlights must be adequately screened so as not to cause discomfort to neighbours.
- 14.9 The use of any open space areas (Jungle Gym etc) is entirely at own risk at all times. The HOA will entertain no claims for damages of whatever nature or arising from whatever cause
- 14.10 No fireworks or firearms or any similar types of explosives are allowed to be discharged.
- 14.11 Residents or tenants not maintaining their gardens in accordance with Eldopark aesthetic guidelines can be liable to fines and/or intervention from the HOA to rectify such non-compliance by the resident/tenant at the full cost of last mentioned.

PART E
BUILDING

15. **Building measures**

15.1 Part E relates to the control measures regarding access and building activities of contractors and their suppliers. Members are obliged to bring Part E of the Rules to the attention of their building contractors and their suppliers since the Members are to be held responsible for any contravention of the House Rules by the contractors and/or suppliers.

15.2 The following measures shall apply regarding building:

(a) **Access Control**

- (i) Registration of main contractor and sub-contractors;
- (ii) Registration of construction workers;
- (iii) Limiting the times of access.

(b) **Building Activities**

- (i) No night-watchman;
- (ii) Specifying construction times;
- (iii) Times for delivery of building materials;
- (iv) Provisions regarding toilet facilities for workers;
- (v) Provisions regarding advertising signboards on building sites;
- (vi) Arrangements regarding refuse removal.

(c) **Fees Payable**

- (i) Building deposit as determined from time to time by the HOA. (Refundable)
- (ii) Sidewalk deposit as determine from time to time by the HOA – smaller construction contracts. (Refundable)

PART F
PROPERTY

16. Resale and leasing

- 16.1 The concept of the HOA imposes certain restrictions on the manner in which estate agents may operate therein. In order to ensure that the rules applicable to ELDOPARK ESTATE, which regulate property ownership and occupation of premises on the ELDOPARK ESTATE, are made known to new residents, the following rules relating to the re-sale or letting of property shall apply:
- 16.2 The Member who wants to sell or lease his or her property must ensure that the buyer or lessee obtains a copy of the Conduct Rules. There are no accreditation requirements for estate agents in ELDOPARK, but estate agents must register with the Company to receive permission to market and/or sell properties within the Estate in order to ensure that estate agents commit to abide by the security protocol and to disclose the provisions of the MOI and of these Rules to prospective purchasers.
- 16.3 The Member must obtain a clearance certificate from the HOA before registration of any transfer, which certifies that the -
- (a) Member does not owe any money to the HOA with regards to any contributions or payments due to the HOA; and
 - (b) Member is not in breach with any of his/her/its obligations towards the Company in terms of the Memorandum of Incorporation or the Rules and where he/she/it has failed to remedy such breach after having been called upon by the Company in writing, to remedy such breach and remain in breach;
 - (c) the written sales contract between the Member and the Buyer has been submitted to the Board and that the Directors have been satisfied -
 - (i) that the required clauses referred to in 16.3 are included in the agreement or the HOA Addendum has been signed; and
 - (ii) the Member is not in default as regards to any of his or her obligations, which arise from the stipulations of these Rules or the Articles.
- 16.4 The Member must ensure that the sales or lease contract contains the following clause:
- “The Buyer or Lessee admits that he or she is aware that it is mandatory that he (if he or she is a buyer) becomes a Member of the Eldopark Home Owners Association upon registration of the property in his name, and that he/she agrees to become a Member subject to the conditions and stipulations contained in the Memorandum of Incorporation. Should he or she merely be

a lessee or occupant of the property, he or she undertakes to adhere to the stipulations of said documents and accepts that he or she is in all respects applicable to him or her. The tenant must sign the Addendum.

No registration or transfer of a stand or unit shall be registered until-

- the new owner commits himself or herself in writing to the HOA to become a Member and to adhere to the Memorandum of Incorporation;
- articles and Rules of the Association, as stated in the Addendum to Purchase Agreement available at the Estate's office; and
- the Estate manager of HOA has issued a clearance certificate in which it is stated that the requirements of the Articles of the Association have been complied with."
- All Building plans must be up to date before clearance certificate is issued. If not, the current owner must update the plans. Resubmit it to the AC for final approval.

16.5. **Auctions**

Auction of units in the estate will be allowed under the following circumstances and after adhering to the following procedures:

- A written request to stage a bona fide auction within the estate must be submitted to the Authorise Representative of the Company for consideration. No auctions will be approved where the intention is to also sell other items.
- Written permission from the Company must be obtained for the erection of an auction/advertising board outside the premises of the estate and this has to be erected according to the House rules.
- Security measures will be applicable in so far as access control and parking is concerned and these security measures will be determined by the authorised representative of the Company in conjunction with the agent.
- Auction boards may only be erected in the event of a bona fide auction of a fixed property within the estate.
- Such boards must be erected outside the premises of the estate and only in Willem Botha Avenue and in a spot agreed upon after mutual consideration between the agent and the authorised representative of the Company.
- The board must be removed not later than the day after the auction.

- The board could be erected not more than two months in advance.
- The board should adhere to the standards as set out in the applicable Tshwane Metropolitan Municipal Council By-Laws.

PART G
COMMITTEES

17. ELDOPARK HOA committees

The Articles provides for the appointment of committees by the Board. The Articles furthermore allow the Board to allocate or delegate to such committees such other functions, powers and duties as it may deem fit which are not provided for in the Articles.

17.1 Aesthetics Committee

The Board, in terms of article 10.1 read with article 16.6 hereby confer the following additional powers on the Aesthetical Committee -

- (a) It determines the procedure according to which building plans for all structures including alterations to existing structures, swimming pools, tennis courts, etc. are to be approved.
- (b) The approval or rejection of building plans.
- (c) Inspections are to be performed on completion of structures.
- (d) Final approval of the structures are to be conducted.
- (e) Unsightly construction work and/or structures are to be rectified.
- (f) The Aesthetics Committee may enforce the rules applicable on a specific owner who does not adhere to the approved building plan by instructing him or her to either alter or rectify the matter in terms of the building plan or the Committee may direct the owner to rectify the matter in its discretion where it is practicable impossible to comply with the approved building plan.
- (g) No occupation certificate and/or clearance certificate will be issued until such time as the structure or alterations to the structure have been approved by the Aesthetics Committee.

17.2 Financial Committee

- (a) The Board shall in terms of article 7.1 read with article 16.6 appoint a Financial Committee.
- (b) The Financial Committee controls all expenditures and is responsible for planning the HOA's budget and levies and the control of the budget

17.3 **Social & Communications Committee**

- (a) The Board shall in terms of article 16.6 appoint a Newsletter Committee.
- (b) The Newsletter Committee regularly distributes a newsletter to all Members all related costs are to be authorized by the Board.

PART H
SECURITY

18. **Members or tenants**

- 18.1 All Members, tenants and visitors must adhere to security protocol at the gate at all times. Under no circumstances may Members or any person other than the security personnel, Directors or maintenance personnel be allowed into the Gate House.
- 18.2 The HOA security identification system for permanent workers, temporary workers and contractor representatives must be conscientiously enforced by every Member with respect to people in his or her employ.
- 18.3 All Members must request visitors to adhere to security protocol and Members are requested to always treat the security personnel in a co-operative manner.
- 18.4 All Members must ensure that contractors in their employ adhere specifically to the security stipulations of the Contractors Code of Conduct.
- 18.5 The control room at the gatehouse should, where possible, in advance be advised of the pending arrival of visitors. Details of vehicle registration numbers and the property to be visited should, in particular, be provided.
- 18.6 New occupants (Members or tenants) must advise the Security Manager on duty of their home telephone or cellular phone numbers, stand number and address to enable Security to make telephone contact for permission to allow visitors to the residence.
- 18.7 Members and tenants on the electrified perimeter fence must advise any visitor of the dangers pertaining thereto.
- 18.8 No Member or tenant may issue instructions to Security Personnel.
- 18.9 No Member or tenant may allow a casual worker to enter the ELDOPARK ESTATE without being registered at the gate of entry.

18.10 **Access**

- (1) All Members or tenants must enter the premises via designated access points.
- (2) To be allowed access and egress the Members or tenants must be captured on the Biometric Finger Enrolment System.
- (3) The Finger Print Enrolment System is at the Eldopark Administration office.
- (4) Should it happen that the system does not read the Members/domestic/gardener/relative or tenants fingerprint, or if

the fingerprint is not accepted by the system, an access card will be issued to the Members/domestic/gardener/relative or tenants. The Member/tenant needs to confirm and approve such card registration in writing.

- (5) Access cards may only be used by the person it is issued to. Lost access cards must immediately be reported to security. Cost for a lost or stolen card is R500.00. The misuse of the access card is a serious violation of security. For future reference, NO card will be issued.
- (6) New Members and tenants, not yet registered on the system, will be regarded and handled as visitors.
- (7) Members and tenants have 24 hours access to all points.
- (8) Members' and tenants' vehicles may be searched from time to time under given circumstances.
- (9) Registering relatives, visitors, domestics' gardeners etc. on the Biometric Finger Enrolment System:

If a Member or tenant wishes to register people permanently on the system, the Member / tenant needs to accompany the individual to the office, and confirm such registration in writing.

18.11

Visitors

- (1) Day Visitors are defined as any visitor entering and exiting the ELDOPARK ESTATE during the course of one calendar day.
- (2) All visitors must be confirmed prior to their arrival at the ELDOPARK ESTATE. Members and tenants expecting visitors are to notify Security at the Main Entrance in advance and must supply the following information:
 - Name of visitor
 - Name of resident
 - If possible estimated time of arrival.

18.12

Action when no booking has been made by the Member or tenant

- (1) The Member or tenant will be contacted via speed dial / VAS System on the Telkom line or cell phone to confirm authorization to enter ELDOPARK ESTATE. The visitor will be signed in according to the above procedure. All visitors must be identified by asking to produce his or her Drivers' License or ID-Book. The name must be verified against the name in the Expected Visitors Register or

confirmed with the resident. If a visitor as a driver of the vehicle doesn't have a Drivers' License or ID Book in his or her possession, access will not be allowed. This procedure does not apply to the spouse and children of the visitor. However, the Member or tenant can be requested to come to the gate to identify his or her visitor. If the Member or tenant refuses, access will be denied. In all instances the passengers of contractors or delivery vehicles will disembark and gain access through the turnstile.

- (2) The person may not reverse his or her vehicle out of the steel gates. The visitor must be requested to make a u-turn around the office building and leave.

18.13

Booking of 5 vehicles or more

In any event where a Member or tenant makes a booking via e-mail or web-announcement for 5 vehicles or more, the guardhouse must be informed. The Member or tenant will be informed that he or she must notify the neighbours of such an event and the Member or tenant will be informed that he or she must arrange parking for his or her guests. The Member or tenant must ensure that vehicles do not obstruct the streets and/or driveways of other residents. The Member or tenant must arrange parking at the neighbours or at one of the nearby schools. The Estate Site Security Manager will be notified immediately when it became evident that an unknown amount of visitors will enter to a certain address, without prior notification. No "All Access" to an address will be allowed. Vehicles in excess of the Member or tenant's driveway should be directed to one of the Post Boxes or to the parking area at Sutherland High School in Willem Botha Street. No parking in Park 1 and 2 allowed. The Security Officer on patrol must also report a huge build-up of vehicles at a residence immediately to the Supervisor and Estate Site Security Manager. The Member or tenant will be informed to implement the necessary procedures.

The Security Officer on patrol must also report a huge build up of vehicles at a residence immediately and the security manager must be informed as soon as possible.

18.14

Other visitors

- (1) **Sightseers** – Under no circumstances will sightseers be allowed access to ELOPARK ESTATE unless the necessary arrangements have been made with the Estate Manager. Should they be authorized, they will be handled as visitors between 06h00 and 18h00. This is applicable to estate agents also and no accreditation of agents is taking place at ELDOPARK ESTATE.
- (2) **Taxis** – No taxis will be allowed access to the ELDOPARK ESTATE.

18.15

Domestic workers/living in spouses/gardeners

1. The Member or tenant must notify the Security Manager if a domestic worker or gardener must be captured on the biometric access system. The Security Manager must also be notified if workers are dismissed and must be disabled from the system. This notification should be done in writing. It is permissible to endorse and sign the copy of the ID that is kept in the office of the Security Manager.
2. No clothes, materials, appliances, computer, printer and laptop equipment or any other equipment will be allowed to be taken out unless written notification is given by the Member or tenant to Security.
3. Working hours for living out domestic workers/spouses/gardeners will only be between 06h00 and 18h00 daily.
4. Living in domestic workers, their spouses and gardeners may have a limited number of visitors that are staying for a day or longer for a special period of time, and must be authorized by the Member or tenant in writing of the living-in domestic worker/their spouses/gardeners. Members must inform the office or security guard house if a non-living-in domestic/gardener is staying in the Estate for a day or more.
5. The Member or tenant will take full responsibility for the domestic workers/spouses/gardeners or their visitors whilst in the ELDOPARK ESTATE.

18.16

Contractors

1. Contractors will not be allowed access to the ELDOPARK ESTATE without the approval of the Member or tenant concerned and must be identified by means of a Valid South African ID document or drivers license. If a contractor driver of the vehicle doesn't have a Drivers' License or ID Book in his or her possession, access will not be allowed
2. A sub-contractor will be handled in the same way as a contractor on condition that he has proof that he or she is sub-contracting to a contractor.

18.17

Deliveries

1. Deliveries to Members or tenants will be handled as visitors.
2. The delivery will be booked by the Member or tenant.
3. The delivery vehicle must stop at the Member or tenant's entrance and the Access Control Register must be completed.

If a driver of the delivery vehicle doesn't have a Drivers' License or ID Book in his or her possession, access will not be allowed. Passengers (helpers) will disembark from the vehicle and will wait outside ELDOPARK ESTATE in the parking area, except if it is absolutely necessary that they assist in off loading. They will enter through the turnstile and will be booked in the Pedestrian Visitors' Register. Their fingers will be captured for a once-off in once-off out event.

4. Security staff must ask the supplier staff to show the deliver note. This obviates their entry and possible acceptance of goods destined for someone else. The Member or tenant must inform the security about the delivery and they must make a booking. Delivery vehicle drivers must ensure that they know the delivery address. The security officer on duty must assist the driver and give correct directions to the delivery address.
5. No Parcels, mail, medication, keys etc. may be left, or delivered at the Security gate. Under no circumstance may a Security Officer receive any item on behalf of a resident at the security gate.

18.18 **Sales Agents/Hawkers/Sales People/Job Seekers**

- (1) Sales Agents will be treated as visitors and will have to get the consent of the Member or tenant.
- (2) Hawkers, salespeople, job seekers will not be allowed access into ELDOPARK ESTATE.

18.19 **SAPS, Emergency Services, Security Services, Deputy Sheriffs of the court, Tshwane Municipal employees (water and electrical services), Law Enforcement Agents (speed fine subpoenas) and SARS employees**

- (1) Persons from the abovementioned services do not have to sign in if their vehicles are properly marked, but proper control must be kept by Security by making an OB entry with: Provided that these persons can properly identify themselves:
 - Vehicle registration number
 - Name of company
 - Reason for entering
 - Address
 - Number of people entering
 - Time in
 - Time out
 - Number of people leaving

- What happened during visit:
- *Who, what, when, where, why, how, what thereafter.*

- (2) Telkom vehicles may enter but will be treated as visitors. They must produce a Telkom ID and a job card.
- (3) Should the emergency vehicle be unmarked, they must sign in as visitor on condition that they can present proof of the ID.
- (4) These vehicles may be escorted by the golf cart if a Security Officer is in doubt of the bona fide reason for access. The emergency procedure will be followed, i.e. two security officers.

18.20 The Eldopark HOA shall compile and implement security standard operating procedures and amend such procedures from time to time to assist in governing security within the estate.

PART I
ARCHITECTURAL

19.

19.1 **Introduction**

The object of this part of the Rules is to promote, advance and protect the communal interest of its Members and consequently to ensure a safe, high quality lifestyle to owners and occupants by managing the appropriate development of residences and related facilities as well as communal facilities.

19.2 **Time scale for action by the Aesthetics /Architectural Committee (AC)**

The weekly closing date and time for both the evaluation of plans and an application for a building inspection is 12h00 on Fridays. The inspection will take place within 3 working days thereafter and the plans evaluated within 7 working days. Feedback/comments will be supplied soon after the evaluation.

19.3 **The approval process**

The approval process consists of five stages -

STAGE 1

Submission of conceptual design drawings for evaluation by the AC

- (1) The following plans in sketch plan format have to be submitted for approval:
 - (a) One rendered copy of the site layout proposal including the following information:
 - (b) Stand number, placing of all buildings, contours, north point, side boundary dimensions, building lines, servitudes where applicable, existing trees and vegetation, the siting of service areas, open garden space, terraces, distances from boundaries and adjoining structures, overlooking of neighbouring properties, proposed vehicular circulation, entrances to the site, refuse collection and parking, storm water attenuation and boundary walls.
 - (c) Floor plans that indicate the use and size of the rooms.
 - (d) At least two elevations indicating the treatment of the building exterior, including colours of roofs and walls. Cut and fill must be shown (if applicable).

(2) The plans will be scrutinized by the Aesthetical Committee ("the AC") and will have the following to effect:

- Approved sketch plans must be converted into Working Drawings for submission for Stage 2.
- Rejected concepts – The architect/technologist will have to submit a new concept for Stage 1 approval. The purpose of Stage 1 is purely to prevent drastic design changes to detailed drawings.

STAGE 2

Submission of working drawings for approval by the AC

(1) The following plans have to be submitted for approval

- Two copies of the SDP (One to be rendered)
- The SDP must be drawn on a scale of 1:100. In the case of Residential 2 stands, the scale may be amended to fit on standard drawing sizes.

(2) The SDP should at least reflect the following:

- Open areas (laundry yards, private gardens and landscaped areas)
- All existing trees with specie names (trees with a trunk diameter of 100mm and more, including trees to be removed as a result of the siting of buildings)
- Cadastral information (boundary dimensions)
- Siting of all buildings
- Building lines, servitude's and other restrictions
- Storm water management
- Stand numbers of adjacent stands as well as street names
- Accurate siting of existing buildings on adjacent stands
- Contours 1 m intervals) & proposed floor levels
- Boundary and screen wall (siting, height and finishes)
- Sidewalks (driveways, landscaping, municipal services and trees on the sidewalk)
- Existing municipal services on sidewalk of stand (storm water inlets, fire hydrants, lamp poles, electricity boxes etc.)

- Driveways and other paved areas (siting and finish)
 - Entrance gates (design and finish)
 - Permitted and actual Coverage and Floor Area Ratio (FAR) and
 - Any other information that may be of relevance.
 - One rendered copy of the elevations
 - Elevations must indicate the following:
 - All proposed external finishes. Including colour schemes. ducts, gutters and drain pipes, and
 - All patios and verandas
 - All external visible heating equipment, i.e. solar or heat pumps
 - All plumbing pipes to be concealed in ducts and recessed details must be provided.
 - One copy of Working Drawings
 - Floor plans for both the main and outbuildings must be provided also indicating the proposed use of each room.
 - Landscaping proposal:
 - Houses: all visible areas from the street.
 - Town Houses: all visible areas and common areas.
- (3) A schedule detailing the period required to complete the construction, addition, maintenance or renovation must be submitted in order to establish and finalise the final completion date. The building period schedule must be submitted as an annexure to the undertaking to comply with the Building Regulations to be signed by the owner, the building contractor (if applicable), or the architect (if applicable) and the ELDOPARK HOA. A confirmation and undertaking from the owner/building contractor that health and safety regulations for the period of the intended renovations and / or additions, will be adhered to.
- (1) Information and documentation to be submitted for approval:
- i. Name, Signature, ID of the neighbour/s on the plans.
 - ii. Name, Signature, ID of the engineer on the plans.
 - iii. Building line encroachment form.
 - iv. Copy of approved encroachment document from the Local Authority.
 - v. Engineer's specification sheet.
 - vi. Electrical plan.
 - vii. Copy of approved building plan from the Local Authority.

viii. Electrical certificate on completion of the project.

(2) The Owner must apply for installation or construction of the following:

- ix. Solar heating panels for the swimming pool and household heating.
- x. Swimming pools. Submit amended building plans for approval by the AC, before submitting it to the Local Authority.
- xi. Air-conditioning units not provided for in the initial building programme.
- xii. Renovations or amendments to outer walls, boundary walls, garage doors, and fencing.
- xiii. Amendments to window frames/ openings. Submit amended building plans for approved by the AC, before submitting it to the Local Authority.
- xiv. Generator installations.
- xv. Rainwater harvesting reservoirs.

STAGE 3

Submission to the Local Authority

- (1) Once the AC has approved the detailed working drawings, they may be submitted to the Local Authority.
- (2) In terms of an agreement with the Local Authority, plans will not be accepted or processed unless approved by the HOA and properly certified on the plans as such.
- (3) All plans must be approved by the Local Authority **before** construction will commence.

STAGE 4

Periodic Inspections

The AC will inspect the progress of the building and terrain works. This will ensure that the requirements are met and that there are no deviations from the approved plans. All construction will be brought to a halt until submission and approval of the new plan by the AC.

STAGE 5

Final inspection and issue of Occupation Certificate

Prior to occupation of a dwelling or unit, an inspection has to be carried out and approved by the AC and approved by the **Board** to ensure that the construction, boundary walls, garden walls, garden gates, landscaping, etc. has been completed in accordance with the approved plans and to ensure that no damage has been caused and that all building materials and rubble

have been removed. This will also be relevant for any additions and renovations.

- This inspection must be applied for by the owner or building contractor.
- A completion certificate must be issued by the HOA and submitted to the Building Office of the Local Authority before the Local Authority will carry out their final inspection and issue an occupation certificate. Occupation will not be allowed prior to this.
- No deviations from the approved plans will be allowed unless approved by the AC.

19.4 **Fees payable**

1. **Plan fees**

The exact detail of payment of plan evaluation fees as determined from time to time is available at the Estate offices. The initial payment must be made with the submission of plans.

2. **Building Performance Deposit**

A building performance deposit (refundable) as determined by the HOA is payable on submission of plans. This amount will be used in event of a breach of non performance to remove rubble or make good any damage caused by the contractor or his sub-contractors or suppliers, including but not limited to kerbing, landscaping, community services, roads, irrigation and/or any outstanding construction works.

3. **Side-walk Deposit**

Side-walk deposit is payable for smaller construction contracts as determined by the HOA and is refundable.

4. **Razor wire**

No property may be secured with razor wire or similar fencing during or after the construction period.

19.5 **Size and scale of drawings**

1. All sketch plans, site development plans and building plans must preferably be submitted on A1 plan size.
2. All working drawings to be submitted to a proper scale:
3. Plans 1:50, 1:100
4. Elevations 1:100

5. Site Development plans 1:100 (Res 2 stands – 1:250)
6. Sections and details 1:10, 1:20, 1:25, 1:50, 1:75, 1:100

19.6 **Stand Boundaries**

(a) **Street Boundaries**

- Although it is accepted that the diverse nature of single residential neighbourhood lead to a varied treatment of street boundaries, every effort should be made to avoid the hostile "canyon-like" effect that high solid walls create along streets cause in many residential areas. In order to enhance the appearance of sidewalks, the streetscape and the estate generally, the following guidelines will apply:
- Ideally, no walling whatsoever should be erected along the boundary between stands and the road reserve (create a "park" effect and not a city suburb).
- If boundary walling is essential on the street frontage, for example; to prevent small children or pets from leaving the property, then the use of good quality steel palisade or trellis fencing is preferred to brick walls. (No devils fork or similar).
- If solid walling is required to enhance the privacy of certain parts of the property, for example, to screen the swimming pool from the street, such walling should be as low as Possible, and should not extend for more than 25% (twenty five percent) of its length as a continuous line parallel to the street boundary. If a solid wall is unavoidable, a stepped-back or articulated wall is considered less detrimental to the streetscape.
- In order to provide parking space for cars and for visitor's parking, garages fronting directly onto the street should be set back a minimum of 5 (five) meters from the stand boundary. (This with the road reserve will allow 2 cars to park in front of the garage, without extending beyond the road kerb, or parking on the sidewalk).

(b) **Side and Rear Boundaries**

- The wall design must be integrated with the design of the house to form a whole;
- Walls should not exceed a height of 2, 1 meter.
- Stands Fronting onto Open Areas (Parks) where stands front onto the open areas or parklands, the aesthetics of the interface is considered to be extremely important. In order to avoid the erection of unsightly solid walls

along the edge of the open areas or neighbouring properties, the following guidelines will apply:

- Ideally the boundary between stands and open areas (parks) should be totally unfenced and only landscaped;
- If some form of boundary fencing is essential, then the use of an approved steel palisade or trellis fence will be permitted;
- The design of the palisade fence should comply with the specifications shown on the attached plan;
- Where a swimming pool needs an enclosure for privacy reasons, part of the fence can be bricked up.

19.7 **General**

1. Construction shall be completed within 12 months of commencement date. The HOA reserves the right to suspend building activity until any undesirable conduct is rectified.
2. Normal building activities are only allowed during week days from 06h00 to 18h00.
3. Garden services may enter on a Saturday between 07:00 until 13:00 provided that the resident made the booking in the Expected Visitor's Register.
4. There will be no building activities on Sundays and Public holidays.
5. Special applications for building or related work outside of business hours (6:00 - 18:00)

Contractors

Special applications for building or related work activities (including but not limited to; painting, carpentry, light masonry, plumbing, electrical ect.) performed by contractors that will generate noise or cause a nuisance after hours and on Saturdays, must be lodged with the Executive Manager timeously, who will only approve such activities in writing if special circumstances exist and after consultation and approval of adjacent neighbours. Such applications must be done during the week to allow enough time for consultation with neighbours and be lodged on the Friday prior to the Saturday. Should the application be approved, this approval document must be handed over to Security and the following must be clearly indicated: No distinction will be made between exterior or interior work by contractors – both types of work will require permission as stated above. No building or related work will be allowed to be performed by contractors outside off the permitted hours as provided for by the HOA procedures or in term of this paragraph. Should the application be approved, the approval (and accompanying documents if, any) must

be in the possession of the owner and handed over to Security and the following must be clearly indicated:

- Authorized scope of activity
- Time constraints.

Members:

Members performing their own building or related work (exterior or interior) are required to adhere to the same rules and procedure as stipulated for contractors. Members must be mindful of their neighbours when undertaking any work and keep noise levels to the minimum. No building or related work will be allowed on Sundays or Public Holidays.

Emergency situations:

Only contractors dealing with emergency situations (such as burst pipes/geysers, electrical failures) will be allowed outside normal business hours without any prior permission.

6. Should residents purchase burglar alarm systems for their residences, they may be linked to the security control room if they are compatible with the electronics of the Estate security system.
7. All attempts at burglary or instances of fence jumping must immediately be reported to a member of the security staff.
8. No contracting labourers/staff are allowed to pass by foot between the relevant building site/place of work and the main gate between 09h00-16h00. Such persons must be transported by vehicle.

19.8 ARCHITECTURAL AND AESTHETICAL REQUIREMENTS AND GUIDELINES

1. Minimum size of house/Dwelling

- The minimum area of a dwelling on a Residential 1 stand must be 200 m² and 150 m² for a housing unit on a Residential 2 stand.
- The floor area specified above includes all roofed structures, including garages, patios, etc.

2. Design and style

- (a) The planning of buildings and structures should show sensitivity towards the natural environment;

- (b) No limitations are placed on design and style in order to allow for a variety of individual architectural designs and identity. This however is subject to good architecture and approval of all designs will remain the prerogative of the AC;
- (c) The architectural design and style of buildings will be evaluated taking cognizance of existing buildings in the immediate vicinity;
- (d) As a general rule all housing units must live out to the northern side. Living areas will only be allowed on the north and east side of stands.
- (e) Balconies or staircases will not be allowed on the south side and western sides of stands. Only bathroom windows will be allowed on south side.

3. **Prohibited building materials**

- (a) Unpainted or reflective roofing material – metal sheeting must be pre-painted;
- (b) Pre-cast concrete walls, wire fencing, swimming pool type mesh fencing and "split pole" type fencing;
- (c) No Modular type housing, pre-cast concrete structures;
- (d) Unpainted plaster, un-colored plaster or un-plastered stock brick walls;
- (e) Razor wire or similar type fences as well as electrical fences;
- (f) Lean-to or temporary carports or shade netting structures;
- (g) Thatch Lapa's (only allowed if the main building has a thatch roof).

4. **Stand Boundaries**

(a) **Street Boundaries**

Although it is accepted that the diverse nature of single residential neighbourhood lead to a varied treatment of street boundaries, every effort should be made to avoid the hostile "canyon-like" effect that high solid walls create along streets cause in many residential areas. In order to enhance the appearance of sidewalks, the streetscape and the estate generally, the following guidelines will apply:

- Ideally, no walling whatsoever should be erected along the boundary between stands and the road reserve (create a "park" effect and not a city suburb).

- If boundary walling is essential on the street frontage, for example; to prevent small children or pets from leaving the property, then the use of good quality steel palisade or trellis fencing is preferred to brick walls. (No devils fork or similar).
- If solid walling is required to enhance the privacy of certain parts of the property, for example, to screen the swimming pool from the street, such walling should be as low as Possible, and should not extend for more than 25% (twenty five percent) of its length as a continuous line parallel to the street boundary. If a solid wall is unavoidable, a stepped-back or articulated wall is considered less detrimental to the streetscape.
- In order to provide parking space for cars and for visitor's parking, garages fronting directly onto the street should be set back a minimum of 5 (five) meters from the stand boundary. (This with the road reserve will allow 2 cars to park in front of the garage, without extending beyond the road kerb, or parking on the sidewalk).

(b) **Side and Rear Boundaries**

- The wall design must be integrated with the design of the house to form a whole;
- Walls should not exceed a height of 2, 1 meter.
- Stands Fronting onto Open Areas (Parks) where stands front onto the open areas or parklands, the aesthetics of the interface is considered to be extremely important. In order to avoid the erection of unsightly solid walls along the edge of the open areas or neighbouring properties, the following guidelines will apply:
 - Ideally the boundary between stands and open areas (parks) should be totally unfenced and only landscaped;
 - If some form of boundary fencing is essential, then the use of an approved steel palisade or trellis fence will be permitted;
 - The design of the palisade fence should comply with the specifications shown on the attached plan;
 - Where a swimming pool needs an enclosure for privacy reasons, part of the fence can be bricked up.

19.9 Members and tenants on the perimeter wall are responsible for keeping overgrowth at least 1 meter clear of the electrified fence.

19.10 **Miscellaneous**

- (a) External finishes must conform to good architecture, so as not to detract from the general appearance of the neighbourhood. Monotonous face brick applications will not be allowed, No Modular type housing, pre-cast concrete structures;
- (b) Proposed paint colours must be approved by the AC during submission Stage 1 and Stage 2 (see 4.1 and 4.2). Should the owner during the construction process wish to deviate from the approved colours, new colour samples must be presented to the AC for approval prior to painting of the house. The AC may at their own discretion request an owner to paint 1x1m samples of the proposed colours against the exterior walls of the owner's house for AC approval.
- (c) Staff quarters not forming part of the main building, may not be closer to the street than the main building;
- (d) Special attention must be paid to the finish of parapets, fascias, corbelling, capping eaves, roof trims, gutters and roof material. Details of the above mentioned must be supplied with building plans;
- (e) Staff quarters and kitchens should open onto a courtyard. All exits and doors adjacent to neighbours to be screened with approved screen walls; (min height 1, 8 meters measured from finished floor level).
- (f) The use of solar panels for the heating of water is encouraged. Only the solar panels (either the vacuum tube-type or flat panel-type) may be visible – no external geyser, header tanks or coiled pipes may be visible. The solar panels must be incorporated into the adjoining structure and may not – where visible – be placed on an elevated structure.
- (g) The design and material of carports and patios must compliment the style and design of the main building and must be approved by the AC. All garage motor units/opening units to be concealed within the structure and may not be visible from the street or adjacent stands;
- (h) Corrugated or other formed roof sheeting must be concealed with an appropriate fascia or other acceptable finish;
- (i) Washing lines, drying racks and the drying of washing must be concealed from the street and neighbour's natural ground level;
- (j) Satellites dishes may not be fixed against any projecting architectural feature of the house for e.g. the chimney and may not interfere with the aesthetics of the house;
- (k) No radio masts may be erected;
- (l) No externally fitted burglar bars will be permitted;

- (m) Mechanical equipment and plants such as air-conditioners (and grills), pool pumps etc. must be designed into the buildings and/or adequately enclosed or screened off from view and drawings to be submitted to AC indicating the position of the air conditioning units.
- (n) Only one type of roof material per development may be visible from the street or the natural ground level of neighbouring stands;
- (o) Outbuildings, walls and alterations must match the original design and style of the house. Members are responsible for maintaining property in a clean and appealing condition. The HOA can compel the Member or tenant to improve the aesthetic appearance of the Member's dwelling. The property should be regularly maintained e.g. painted, waterproofed, general upkeep etc. Where the Member fails to comply, a fine at the discretion of Board of Directors will be imposed;
- (p) All geysers fitted outside on flat roofs are to be enclosed in an aesthetical pleasing enclosure.
- (q) All standby generators must comply with the minimum requirements. Generators must be installed in such a way that it does not create a nuisance to neighbours. In addition to the requirements above, generators that are permanently or semi-permanently installed (semi-permanent shall be a unit being in the same position for more than 30 days), must be visibly screened and indicated on plans approved by the HOA
- (r) A 1,5 meter wide paving strip laid around the house for storm water purposes, is recommended
- (s) All external water capturing/retainer reservoirs (e.g., water tanks may not be visible from the street or adjacent stands.
- (t) All pumps, power generators, water features and water tanks must comply with the minimum requirements. These must be installed in such a way that it does not create a nuisance or unsightliness to neighbours. In addition to the requirements above, it must be visibly screened and indicated on plans approved by the HOA.

19.11 **Floor Slab/Plinth Height**

The height of the finished floor level may not exceed 0.85 m directly above natural ground level at any point along the perimeter of the building. The building must be stepped to suit the natural ground contours.

19.12 **Double-storey dwellings**

Double-storey dwellings are subject to approval of the AC.
The designer should consider the following –

- (a) The right to privacy of surrounding neighbours on the south and west facing sides should be protected in a manner to be approved by the AC on the building plans and which may inter alia include the sandblasting of windows;
- (b) The view of surrounding neighbours;
- (c) Buildings should not overshadow each other or the private outdoor living areas of adjacent properties.

19.13 **Sidewalks**

- (a) The landscaping of sidewalks is of paramount importance as they have a direct influence on the aesthetical quality of the town;
- (b) Every owner has a responsibility to the neighbourhood as a whole to landscape and maintain the area between the road surface and his or her boundary walls/stand boundary;
- (c) No building material or other refuse may be dumped on the sidewalks and all building rubble must be removed before an occupation certificate will be issued;
- (d) Trees planted on the sidewalk should conform to the Tree Planting Development Plan (if applicable). The Plan is available at the Estate Office and was specifically prepared to establish a uniform character in sections of the town;

19.14 **Landscaping**

- (a) Existing trees must be preserved as far as possible and may not be removed without the consent of the AC. Building designs must, where possible, take existing trees into consideration;
- (b) Where existing trees are damaged or removed without prior consent from the AC, the owner will be obliged to replace the tree at his own cost;
- (c) All areas of the garden of Residential 1 units that are visible from the street (including sidewalks), must be landscaped before occupancy. A minimum requirement is that these areas be planted with instant lawn;
- (d) The landscaping of garden areas of town house/sectional title developments that are visible from the street is the responsibility of the developer;
- (e) The planting of hedgerows is recommended and the planting of indigenous trees and shrubs is encouraged where possible.

19.15 **Land use**

- (a) No owner/member may change the land use right for which his or her stand or dwelling unit has been zoned, whether by way of rezoning or by way of consent by the Local Authority or in any other way without the written approval of the HOA;
- (b) No duet or similar sectional title structures will be allowed;
- (c) Granny flats will only be considered subject to the following conditions:
 - (i) The granny flat must be linked structurally and visually to the main dwelling and must seem to be one unit;
 - (ii) The granny flat must be in addition to the minimum dwelling size of 200 m² and may not exceed 60 m² in total;
 - (iii) No subdivision of the property will be allowed;
 - (iv) The owner must, in writing, undertake to the HOA that the unit will never be sub-let to anybody for income purposes and in the event of the property being sold, the new owner must carry this undertaking.

19.16 **Town planning controls**

(a) **Zoning and Density**

Only one dwelling house may be erected per stand.

(b) **Coverage**

The total coverage of buildings on Residential 1 and Residential 2 stands shall not exceed 50% of the area of the stand.

(c) **Height**

The height of buildings on Residential 1 and Residential 2 stands shall not exceed 2 storeys (ground plus one).

(d) **Building Lines**

The building restriction lines dictated by the Tshwane Town Planning Scheme of 1992 shall apply inclusive of the provision of Clause 22 applicable to even smaller than 750m².

(e) **Street Boundaries**

Residential 1

A street building line of 3.5 meters shall apply.

(f) **Boreholes**

The drilling of a borehole for the abstraction of groundwater is not permitted on any stand.

19.17 **Dry Foundations / Stable Foundations**

- (a) Once foundations have been excavated to a level where acceptable support is found, (normally 600 to 750mm below ground level) the biggest threat for long-term stability lies in the drainage system in close proximity to the house irrespective of the soil conditions founded upon.
- (b) The following is considered to be proper building practice for proper drainage of a housing unit.
- (c) Proper storm water drainage away from the foundations.
- (d) Care should be taken during the planning and design stage on maintaining a flow of rainwater away from the unit's foundations and around the buildings. Down pipes from the gutters must not concentrate rainwater next to foundations.
- (e) As far as possible, the sewer plumbing must be installed more than 1,5m from the external edge of the foundations.
- (f) All water pipes (including irrigation pipes) placed below surface must be noncorrosive and be connected with fittings that are not susceptible to corrosion.
- (g) Pipes must be installed with sufficient cover to prevent damage due to garden work or loading from traffic.
- (h) Water pressure in ELDOPARK ESTATE may be as high as 9 Bar – the pipe class of pipes connected directly to the stand's municipal connection point (including irrigation pipes) must be able to withstand the pressure.
- (i) Ensure that screen and boundary walls do not interrupt the normal water flow and drainage pattern. Adequate drainage holes need to be introduced in all boundary walls. NO Member tenant or employee may at any circumstances block drainage holes in the walls to interrupt normal water flow in order to comply with local authority regulations.

19.18 **Responsibility of Members**

- (a) It is the Members responsibility to see that contractors abide by the rules as laid down by the HOA.
- (b) The responsibility lies with the Members and his or her architect to ensure that they are acquainted with the requirements of the Local

Authority with regard to standard building regulations, drafting of building plans and the submission thereof.

- (c) Building refuse material may under no circumstances be dumped on the sidewalks or streets. The Member will be liable for all damage and removal in this regard.

The Member must place a refuse container on the stand at the commencement of any alterations to an existing house or the building of a new house.

- If there is space at the back of property to store building material, there will be no need for a container.
- If there is no space on the property to store building material, the AC may grant permission to deliver and store building material on the sidewalk.
- The container must be large enough to contain all building refuse related to the alterations/building.
- Containers must be emptied on regular intervals.
- Builders shed for storing building material (optional).

The Aesthetic Committee reserves the right to request:

- to tidy up stands.
- and/or remove all unsightly building materials or construction equipment.
- construct a screen that will “conceal” building materials and will help reduce public visibility as the case may be at the sole discretion of the AC.

Health and safety of members must be taken into consideration.

19.19 Discretion of the AC

The Architectural and Aesthetical rules and guidelines in this document will form the basis for the evaluation of plans. The evaluation process followed and resulting in approval or rejection of plans shall be at the sole discretion of the AC.

PART J
FINES AND PENALTIES

- 20.1 The Directors shall be entitled to implement a system of fines and penalties from time to time in order to deter any contravention of these Rules and to ensure the due enforcement of these Rules.
- 20.2 Any penalties imposed by the Directors are subject to adjustment and/or ratification by members in General Meeting.
- 20.3 In the event of contravention of any of these Rules, the following procedure will be followed and implemented by the Directors/**Managing Agent**:
- (i) A letter of demand incorporating a penalty will be sent to the member, specifying the nature of the breach and demanding him to remedy the breach where applicable, within a period of 10 (ten) days from date of demand.
 - (ii) Should the member fail to adhere to the demand letter and to remedy the breach and/or to pay the fine or penalty then, unless written objection is received by the owner concerning the alleged contravention, the prescribed penalty shall be implemented and levied against the member's levy account and shall be enforceable, as if such penalty or fine constitutes a normal levy.
 - (iii) If the transgression or payment of the penalty/fine is disputed and upon receipt of any written objection ("**the objection notice**") from the **Member**, a Committee of 3 (three) **Directors** appointed by the **Chairman** for this purpose, shall convene a meeting with the **Member** within a period of 10 (ten) days, or as soon as reasonably possible after receipt of the **objection notice**, to adjudicate upon the issue. The meeting shall take place at a venue and time, and in accordance with such procedure, as the **Chairman** of the Committee shall direct; provided that the Rules of natural justice shall be observed and at which meeting the **Member** shall be entitled to address his objection and to call witnesses.
 - (iv) The decision of the **Board** shall be final unless objected to in writing within 10 (ten) days from notification of their decision.
 - (v) Should the **Member** refuse to accept the decision of the **Committee** on any matter, such dispute shall then be referred to mediation and/or arbitration in terms of this **MOI**.
 - (vi) Any fine imposed upon any **Member** will be deemed to be a debt due by the **Member** to the **Company** and shall be recoverable by ordinary civil process.

20.4 Until amended, the following fines and/or penalties are to be imposed upon owners from infringements arising from their actions or the actions of their tenants/visitors/contractors/employees or as applicable, in terms of the **Memorandum of Incorporation** and these Rules: / **FLAT RATE RULE FOR SECOND AND CONTINUOUS TRANSGRESSION INCLUDE ALL RULES.**

20.4.1	Exceeding the speed of 30 km/h / Failing to obey any traffic sign	R800-00
20.4.2	Reckless driving of any motorized vehicle	One month Levy per offence
20.4.3	Damage to common property (in addition to costs for repairing such damage)	Full cost or the minimum cost of R500
20.4.4	Destroying or Damaging Trees & Flora (in addition to the costs to replace damaged trees and flora)	R800-00
20.4.5	Building alterations without the required approval	One month Levy per offence
20.4.6	Contractors' failure to return "Visiting Contractors Card" – per card	R500-00
20.4.7	Contractors' failure to comply with rules, regulations and policies whilst undertaking upon, or engaging in contracting and related	R2 500-00
20.4.8	Contractors labour leaving site & walking through estate – per person	R500-00
20.4.9	Building contractors working out of approved hours – per person	R800-00
20.4.10	Failure to return visitors entry/exit card	R500-00
20.4.11	Letting off fireworks	One month Levy per offence
20.4.12	Use of fire hoses other than for fighting fires	One month Levy per offence
20.4.13	Dogs not kept within owner's property or on a leash whilst out walking or in full control of handler	R800-00
20.4.14	Dogs fouling the roads and/or common areas	One month Levy per offence
20.4.15	Drunk and disorderly conduct outside own property and within commons	One month Levy per offence
20.4.16	Causing a disturbance of the peace e.g. music, all nuisance pets/ MOI in general dealing with nuisance.	One month Levy per offence
20.4.17	Non-maintenance of gardens & banks within your boundaries / lack of maintenance and upkeep of property and buildings	One month Levy per offence

PART K
CONFLICT

21. Should a contradiction arise between the provisions of these Rules and the provisions of the Memorandum of Incorporation, the MOI will take priority and the Board will be obliged to amend these Rules in order to bring them into agreement with the MOI.

PART L
CLOSING

Closing

The Board of Directors, in its sole discretion and by a majority vote of board members present at a meeting, may decide if the situation, based upon unique or in extraordinary circumstances, is in the best interest of the HOA.