

ALTO LIVELLO

GREEN POINT



MANAGEMENT RULES IN TERMS OF
SECTION 10(2)(A) OF THE SECTIONAL
TITLE SCHEMES MANAGEMENT ACT, ACT 8
OF 2011



DATE: _____

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PART 1: INTRODUCTION

1. PRELIMINARY

- 1.1. The rules contained in this annexure shall not be added to, amended, or repealed except in accordance with section 10(2)(a) of the STSMA, and subject to the provision of section 10(3) to (5) of the STSMA.

2. INTERPRETATION

- 2.1. The following terms, shall have the following corresponding meaning:
- 2.1.1. "accounting officer" means a person who in terms of section 60 (2) of the Close Corporation Act, 1984 (Act 69 of 1984), is qualified to perform the duties of an accounting officer;
- 2.1.2. "auditor" means an auditor qualified to act as such under the Public Accountants' and Auditors' Act, 51 of 1951;
- 2.1.3. "CSOSA" means the Community Schemes Ombud Service Act, 9 of 2011;
- 2.1.4. "*domicilium citandi et executandi*" or "*domicilium*" means the address one elects for the purpose of receiving all legal notices and processes;
- 2.1.5. "electronic communication" has the meaning set out in section 1 of the Electronic Communications and Transactions Act;
- 2.1.6. "Electronic Communications and Transactions Act" means the Electronic Communications and Transactions Act, 25 of 2002;
- 2.1.7. "guidelines" means the building, aesthetic, and gardening guidelines of the body corporate;
- 2.1.8. "invitee" means a family member, guest, visitor, domestic worker, contractor, service provider, agent of an owner or occupier, including an employee or staff member of an agent, and any invitee or other person present in a section or on the common property at the request of, or on behalf of, an owner or occupier of a section;
- 2.1.9. "in writing" means written, printed, or lithographed or partly one and partly the other, and other modes of representing or producing words in visible form, including electronic communication;
- 2.1.10. "local authority" means the City of Johannesburg Metropolitan Municipality or its successors in title;
- 2.1.11. "occupier" means the owner, lessee or other occupant of a section or unit;
- 2.1.12. "owner" means the registered owner of a section or unit;
- 2.1.13. "present at the meeting" means to be present in person, or able to participate in the meeting by electronic communication, or to be represented by a proxy or a representative recognised in law who is present in person or able to

- participate in the meeting by electronic communication, provided that a trustee may not be represented by a proxy at a meeting of the trustees;
- 2.1.14. "registered mortgagee" means any mortgagee of whom the body corporate has been notified in writing as contemplated in section 13(1)(f) of the STSMA;
- 2.1.15. "STA" means the Sectional Titles Act, 1986 (Act 95 of 1986), as amended from time to time, and any regulations made and in force thereunder;
- 2.1.16. "STSMA" means the Sectional Title Schemes Management Act, 2011 (Act 8 of 2011);
- 2.1.17. "scheme" means the scheme as defined in the Act, known as the body corporate of Alto Livello;
- 2.1.18. "these rules" means these management rules and 'rule' shall have a corresponding meaning; and
- 2.1.19. "trustees" means the trustees for the time being of the scheme, as duly elected.
- 2.2. The clause headings are for convenient reference and shall be disregarded in construing these, Rules.
- 2.3. Words and expressions to which its meaning has been assigned in the STA, STSMA and CSOSA, shall bear the meanings so assigned to them
- 2.4. Unless the context clearly indicates a contrary intention:
- 2.4.1. the singular shall include the plural, and vice versa;
- 2.4.2. reference to any one gender shall include the other genders; and
- 2.4.3. reference to natural persons includes juristic persons, trusts and partnerships and vice versa.
- 2.5. When any number of days is prescribed in these Rules, the same shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a Saturday, Sunday or proclaimed public holiday in the Republic of South Africa, in which event the last day shall be the next succeeding day which is not a Saturday, Sunday or proclaimed public holiday.
- 2.6. Where numbers are expressed in words and in numerals in these Rules, the words shall prevail if there is any conflict between the two.

3. DOMICILIUM CITANDI ET EXECUTANDI

- 3.1. The trustees shall from time to time determine the address constituting the *domicilium citandi et executandi* of the body corporate as required by section 3(1)(o) of the STSMA, subject to the following:
- 3.1.1. such address shall be situated in the magisterial district in which the scheme is situated and shall be the address of the chairman or other resident trustee duly appointed in a general meeting or in the magisterial district in which the offices of any duly appointed managing agent are situated being the address of such managing agent; alternatively

- 3.1.2. the physical address of a section in the scheme.
- 3.2. No change of such address shall be effective until written notification/lodgement thereof has been received by the Community Schemes Ombud Service in the prescribed form.
- 3.3. The trustees shall give notice to all owners of any change of such address.
- 3.4. The trustees may designate a fax, email, or other address as an alternate body corporate service address.
- 3.5. The *domicilium citandi et executandi* of each owner shall be the address of the section registered in his/her name:
 - 3.5.1. provided that such owner shall be entitled from time to time to change the said domicilium but that any new domicilium selected shall be situate in the Republic, and that the change shall only be effective on receipt of written notice thereof by the body corporate at its domicilium.

PART 2: TRUSTEES AND TRUSTEES' MEETINGS

4. GENERAL

- 4.1. The number of trustees shall be determined from time to time by the members of the body corporate in a general meeting, provided that there shall be not less than two trustees.
- 4.2. With effect from the date of the establishment of the body corporate, all owners shall be trustees who shall hold office until the first general meeting of the members of the body corporate as contemplated in rule 50.1 whereupon they shall retire but shall be eligible for re-election.
- 4.3. The chairman of the trustees referred to in rule 4.2 shall be the developer concerned or his nominee, who shall hold office until the general meeting referred to in the said rule, when he shall retire as a trustee and as chairman but shall be eligible for re-election in terms of rule 18.

5. QUALIFICATIONS

- 5.1. Save for the provisions of rule 4.2, a trustee or alternate trustee shall not be required to be an owner or the nominee of an owner who is a juristic person, in order to qualify for office as a trustee, provided that:
 - 5.1.1. the majority of the trustees are owners, or spouses of owners; and
 - 5.1.2. the managing agent or any of his or her employees or employee of the body corporate may not be a trustee unless he is an owner.

6. ELECTION OF TRUSTEES

- 6.1. Save for the provisions of rule 4.2, the trustees shall be elected at the first annual general meeting and thereafter at each subsequent annual general meeting and shall hold office until the next succeeding annual general meeting, but they shall be eligible for re-election, if so nominated.

7. NOMINATION OF TRUSTEES

- 7.1. Nominations by owners for the election of trustees at any annual general meeting shall be given in writing, accompanied by the written consent of the person nominated, so as to be received at the *domicilium* of the body corporate not later than 48 hours before the meeting, provided that:
- 7.1.1. such nominee(s) are capable of being elected by way of nominations with the consent of the nominee given at the meeting itself should insufficient written nominations be received to comply with rule 4.1; and
- 7.1.2. further that no nomination or appointment as trustee, of a person in breach of rule 64, may be made or accepted.

8. VACANCY IN NUMBER OF TRUSTEES

- 8.1. The trustees may fill any vacancy in their number.
- 8.2. Any trustees so appointed shall hold office until the next annual general meeting when he shall retire and be eligible for re-election as though he had been elected at the previous annual general meeting.

9. ALTERNATE TRUSTEES

- 9.1. A trustee may appoint another person, whether or not the owner of a unit, to act as an alternate trustee during the absence or inability to act of a trustee.
- 9.2. An alternate trustee shall have the powers and be subject to the duties of a trustee.
- 9.3. An alternate trustee shall cease to hold office if the trustee whom he replaces, ceases to be a trustee, or if the alternate's appointment is revoked by the trustee.

10. REMUNERATION

- 10.1. Unless otherwise determined by a special resolution of the owners, trustees who are owners shall not be entitled to any remuneration in respect of their services as such, provided that:
- 10.1.1. the body corporate shall reimburse to the trustees all disbursements and expenses actually and reasonably incurred by them in carrying out their duties and exercising their powers.
- 10.2. The body corporate may remunerate trustees who are not owners at such rate as may be agreed upon between the body corporate and such trustees, and such trustees shall further be entitled to have refunded to them any disbursements and expenses incurred by them in the circumstances envisaged in the proviso to sub-rule 1 of this rule.
- 10.3. An alternative trustee appointed by the trustees, who is not an owner, shall claim his remuneration, if any, from the trustee whom he replaced and not from the body corporate, unless the body corporate has been instructed in writing by such trustee to pay any portions of his remuneration to such alternate trustee.

11. VALIDITY OF ACTS OF TRUSTEES

- 11.1. Any act performed by the trustees shall, notwithstanding that it is after the performance of the act discovered that there was some defect in the appointment or continuance in office of any trustee, be as valid as if such trustee had been duly appointed or had duly continued in office.

12. INDEMNITY

- 12.1. Subject to the provisions of sub-rule 3, every trustee, agent or other officer or servant of the body corporate shall be indemnified by the body corporate against all costs, losses, expenses, and claims which he may incur or become liable to by reason of any act done by him in the discharge of his duties, unless such costs, losses, expenses, or claims are caused by the *mala fide* or grossly negligent act or omission of such person.
- 12.2. It shall be the duty of the trustees to pay such indemnity out of the funds of the body corporate.
- 12.3. The indemnity referred to in sub-rule 1, shall not apply in favour of any managing agent appointed in terms of rule 46.

13. REMOVAL FROM OFFICE

- 13.1. A trustee shall cease to hold office:
- 13.1.1. if by notice in writing to the body corporate, he resigns his office;
 - 13.1.2. if he is or becomes of unsound mind;
 - 13.1.3. if the trustee surrenders his estate as insolvent, or if his estate is sequestrated;
 - 13.1.4. if he is convicted of an offence which involves dishonesty;
 - 13.1.5. if by resolution of a general meeting of the body corporate, he is removed from his office, provided that the intention to vote upon the removal from office has been specified in the notice convening the meeting;
 - 13.1.6. if he is or becomes disqualified in terms of section 69 of the Companies Act, 71 of 2008, from being appointed or acting as a director of a company; and
 - 13.1.7. if he is in arrears for more than 60 days with any levies and contributions payable by him in respect of his unit or exclusive use area (if any) and if he fails to bring such arrears up to date within 7 days of being notified in writing to do so.

14. REPLACEMENT

- 14.1. The body corporate may at a general meeting appoint another trustee in the place of any trustee who has ceased to hold office in terms of rule 13, for the unexpired part of the term of office of the trustee so replaced.
- 14.2. Until such meeting is convened, the trustees may fill any vacancy as enunciated in rule 8 above.

15. WHEN MEETINGS ARE TO BE HELD, NOTICE AND ATTENDANCE

- 15.1. Subject to the provisions of sub-rule 2 and 3 hereof, the trustees may give notice convening meetings, meet together for the dispatch of business, adjourn, and otherwise regulate their meetings as they think fit:
- 15.1.1. it shall not be necessary to give notice of a meeting of trustees to any trustee for the time being absent from the Republic, but notice of any such meeting shall be given to his alternate, if he has appointed one, where such an alternate is in the Republic; and
- 15.1.2. it is sufficient if the notice is transmitted electronically directly to the trustee in a manner, and form such that the notice can conveniently be printed by the recipient within a reasonable time, and at a reasonable cost.
- 15.2. A trustee may at any time convene a meeting of the trustees by giving to the other trustees and all first mortgagees in the circumstances referred to in sub-rule 3 hereof, not less than seven days' written notice of a meeting proposed by him, which notice shall specify the reason for calling such a meeting:
- 15.2.1. in cases of urgency such shorter notice, as is reasonable in the circumstances, may be given.
- 15.3. Any mortgagee holding first mortgage bonds over units shall, if he so requires of the trustees in writing, be entitled to receive reasonable notice of all meetings of the trustees:
- 15.3.1. the nominee of any such first mortgagee shall be entitled to attend and speak at all meetings of the trustees but shall not, in his capacity as such, be entitled to vote thereat.
- 15.4. An owner shall be entitled to attend and speak at any meeting of the trustees but shall not in his or her capacity as such, be entitled to vote thereat.

16. QUORUM

- 16.1. At a meeting of the trustees, 50 percent of the number of trustees but not less than two, shall form a quorum.
- 16.2. If the number of trustees falls below the number necessary to form a quorum, the remaining trustee or trustees may continue to act, but only for the purpose of appointing or co-opting additional trustees, as enunciated in rule 8, to make up a quorum or for the purpose of convening a general meeting of owners.

17. ADJOURNMENT DUE TO LACK OF QUORUM

- 17.1. If at any meeting of trustees a quorum is not present within thirty (30) minutes of the appointed time of the meeting, such meeting shall stand adjourned to the next business day at the same time, and the trustees then present, who shall not be less than two, shall form a quorum.

PART 3: THE CHAIRPERSON

18. ELECTION OF CHAIRPERSON

18.1. At the commencement of the first meeting of trustees after an annual general meeting, at which trustees have been elected, the trustees shall elect a chairman from among their number, who shall hold office as such until the end of the next annual general meeting of the members of the body corporate and who shall have a casting as well as a deliberative vote, save where there are only two trustees.

19. REMOVAL OF CHAIRPERSON

19.1. The trustees at a trustees' meeting or the body corporate at a special meeting, in respect of either of which notice of the intended removal from office of the chairperson has been given, may remove the chairperson from his or her office.

20. REPLACEMENT OF CHAIRPERSON

20.1. If any chairperson elected in terms of rule 18 vacates his office as chairperson or no longer continues in office by virtue of the provisions of rule 19, the trustees shall elect another chairperson who shall hold office as such for the remainder of the period of office of the first- mentioned chairperson, and who shall have the same rights of voting.

21. TEMPORARY CHAIRPERSON

21.1. If any chairperson vacates the chair during the course of a meeting or is not present or is for any other reason unable to preside at any meeting, the trustees present at such meeting shall choose another chairperson for such meeting who shall have the same rights of voting as the chairperson.

PART 4: TRUSTEES' RIGHTS AND DUTIES

22. VOTING RIGHTS

22.1. All matters at any meeting of the trustees shall be determined by a majority of the votes of the trustees present and voting, provided that a quorum is present, as enunciated in rule 16.

23. DISQUALIFICATION FROM VOTING

23.1. A trustee shall be disqualified from voting in respect of any contract or proposed contract, or any litigation or proposed litigation, with the body corporate, by virtue of any interest he may have therein.

24. ROUND ROBIN RESOLUTION

24.1. A resolution in writing signed by all the trustees for the time being present in the Republic and being not less than are sufficient to form a quorum, shall be as valid and effective as if it had been passed at a meeting of the trustees duly convened and held.

25. POWERS AND DUTIES OF THE BODY CORPORATE

- 25.1. The duties and powers of the body corporate shall, subject to the provisions of the STSMA and these rules and to any restriction imposed or direction given at a general meeting of the owners of sections, be performed or exercised by the trustees of the body corporate holding office in terms of these rules.

26. POWERS

- 26.1. Subject to any restriction imposed or direction given at a general meeting of the body corporate, the powers of the trustees shall include the following:
- 26.1.1. to appoint for and on behalf of the body corporate such agents and employees as they deem fit in connection with:
- 26.1.1.1. the control, management, and administration of the common property; and
- 26.1.1.2. the exercise and performance of any or all of the powers and duties of the body corporate;
- 26.1.2. to delegate to one or more of the trustees such of their powers and duties as they deem fit, and at any time to revoke such delegation.
- 26.2. The trustees may not make loans on behalf of the body corporate to owners of units or to themselves.

27. SIGNING OF INSTRUMENTS

- 27.1. No document signed on behalf of the body corporate, shall be valid and binding unless it is signed by a trustee and the managing agent referred to in rule 46 or by two trustees or, in the case of a certificate issued in terms of section 15B(3)(i)(aa) of the STA, by two trustees or the managing agent.
- 27.2. With the exception of sub-paragraph 1, no other owner, tenant, occupant, or any other persons may, in any way whatsoever, enter into any contract, or incur any liability on behalf of the body corporate, without prior written consent of the trustees.

28. STATUTORY AND GENERAL DUTIES

- 28.1. Without detracting from the scope of the additional duties specified in rules 29 to 45, inclusive, and subject to the provisions of such rules, the trustees shall perform the functions entrusted to them by sections 3 to 5 of the STSMA.
- 28.2. The trustees shall do all things reasonably necessary for the control, management, and administration of the common property in terms of the powers conferred upon the body corporate by section 4 of the STSMA.
- 28.3. The trustees shall do all things reasonably necessary for the enforcement of the rules in force.

29. INSURANCE

- 29.1. At the first meeting of the trustees or soon thereafter as is possible, and annually thereafter, the trustees shall take steps to insure the buildings, and all improvements to the common

property, to the full replacement value thereof, subject to negotiation of such excess, premiums, and insurance rates as in the opinion of the trustees are most beneficial to the owners, against:

- 29.1.1. fire, lightning, and explosion;
 - 29.1.2. riot, civil commotion, strikes, lock-outs, labour disturbances or malicious persons acting on behalf of or in connection with any political organisation;
 - 29.1.3. storms, tempest, and floods;
 - 29.1.4. earthquakes;
 - 29.1.5. aircraft and other aerial devices or articles dropped therefrom;
 - 29.1.6. bursting or overflowing of water tanks, apparatus, or pipes;
 - 29.1.7. impact with any of the said building or improvements by any road vehicle, horses, or cattle;
 - 29.1.8. housebreaking or any attempt thereat;
 - 29.1.9. loss of occupation or loss of rent in respect of any of the above risks; and
 - 29.1.10. such other perils or dangers as the trustees or any holder of first mortgage bonds over not less than 25% in number of the units in the scheme, may deem appropriate.
- 29.2. The trustees shall at all times ensure that in the policy of insurance referred to in paragraph 1 above, that:
- 29.2.1. there is a specified replacement value of each unit (excluding the owner's interest in the land);
 - 29.2.2. any "average" clause is restricted in its effect to individual units and does not apply to the building as a whole; and
 - 29.2.3. there is included a clause in terms of which the policy is valid and enforceable by any mortgagee against the insurer notwithstanding any circumstances whatsoever which would otherwise entitle the insurer to refuse to make payment of the amount insured unless and until the insurer on not less than thirty days' notice to the mortgagee shall have terminated such insurance.
- 29.3. Before every annual general meeting, the trustees shall cause to be prepared schedules reflecting their estimate of:
- 29.3.1. the replacement value of the building and all improvements to the common property; and
 - 29.3.2. the replacement value of each unit (excluding the owner's interest in the land), the aggregate of such values of all units being equal to the value referred to in subparagraph 1 above,

and such schedules shall be laid before the annual general meeting for consideration and approval in terms of rule 56.

- 29.4. Any owner may at any time increase the replacement value as specified in the insurance policy in respect of his unit:
- 29.4.1. provided that such owner shall be liable for payment of the additional insurance premium and shall forthwith furnish the body corporate with proof thereof from the insurer.
- 29.5. The trustees shall, on the written request of a mortgagee and satisfactory proof thereof, record the cession by any owner to such mortgagee of the owner's interest in the application of the proceeds of the policies of insurance effected in terms of rule 29.
- 29.6. At the first meeting of the trustees or as soon thereafter as is possible, the trustees shall take all reasonable steps to insure the owners and the trustees and to keep them insured against liability in respect of:
- 29.6.1. death, bodily injury, or illness; and
- 29.6.2. loss of, or damage to, property;
- occurring in connection with the common property, for a sum of liability of not less than one hundred thousand rand, which sum may be increased from time to time as directed by the owners in a general meeting; and to procure to the extent, if any, as determined by the members of the body corporate in a general meeting, a fidelity guarantee in terms of which shall be refunded any loss of moneys belonging to the body corporate or for which it is responsible, sustained as a result of any act of fraud or dishonesty committed by any insured person being any person in the service of the body corporate and all trustees and persons acting in the capacity of managing agents of the body corporate.
- 29.7. The owners may by special resolution direct the trustees to insure against such other risks as the owners may determine.
- 29.8. The owner of a section is responsible for any excess payment in respect of his or her section payable in terms of a contract of insurance entered into by the body corporate:
- 29.8.1. provided that owners may by special resolution determine that the body corporate is responsible for excess payments in respect of specified damage.

30. COLLECTION OF CONTRIBUTIONS

- 30.1. It shall be the duty of the trustees to levy and collect contributions from the owners in accordance with the provisions, and in the proportions set forth in rule 31, and to establish an Administrative and Reserve Fund, in accordance with section 3(1)(a) of the STSMA.

31. LIABILITY IN TERMS OF SECTION 3 OF THE STSMA AND SECTION 15 OF THE STSMA

- 31.1. The contributions in terms of section 3(1)(a) of the STSMA, shall be paid into the Administrative Fund and be used only to fund operating expenses in a current financial year:
- 31.1.1. a portion of the said contributions must be allocated to the Reserve Fund, established in terms of section 3(1)(b) of the STSMA, and be used to pay for future expenditure, determined by a Maintenance-, Repair- and Replacement Plan (the "Plan"), which Plan must be in writing and be prepared by the Body Corporate, detailing the major capital items in terms of the provisions of Rule 22 of the prescribed Management Rules of the STSMA; and

- 31.1.2. the minimum allocation to be made to the Reserve Fund should be sufficient to cover the cost of future maintenance and repair of common property but may not be less than such amounts as may be prescribed by the Minister of Human Settlements.
- 31.2. At every annual general meeting the body corporate shall approve, with or without amendment, the estimate income and expenditure referred to in rule 36 and shall determine the amount estimated to be required to be levied upon the owners during the ensuing financial year:
- 31.2.1. where the financial year-end and the annual general meeting of a body corporate do not coincide, the budget shall coincide with the financial year of the scheme.
- 31.3. Within fourteen days after each annual general meeting, the trustees shall advise each owner in writing of the amount payable by him or her in respect of the estimate referred to in sub-rule 2, whereupon such amount shall become payable in instalments, as determined by the trustees, in terms of management rule 25(1) contained in the schedule to the STSMA:
- 31.3.1. the trustees may from time to time, when necessary, make special levies upon the owners or call upon them to make special contributions in respect of all such expenses as are mentioned in rule 31.1 above (which are not included in any estimates made in terms of rule 31.2 above), and such levies and contributions may be made payable in one sum or by such instalments and at such time or times as the trustees shall think fit.

32. RECORD OF RULES AND THEIR AVAILABILITY

- 32.1. The trustees shall keep a complete record of all rules in force from time to time and shall ensure that any amendment, substitution, addition, or repeal of such rules (as contemplated in section 10(5)(a) of the STSMA) is submitted forthwith to the Chief Ombud in the prescribed notification, and after approval and issue of the required certificate, submit the certificate for filing to the Registrar of Deeds, as contemplated in section 10(5)(d) of the STSMA.
- 32.2. The trustees shall on the application of:
- 32.2.1. an owner of a unit;
- 32.2.2. an occupant of a unit;
- 32.2.3. the prospective purchaser of a unit;
- 32.2.4. the holder of any registered sectional mortgage bond;
- 32.2.5. the managing agent; and
- 32.2.6. the auditor or the accounting officer;
- supply to any such person a copy of all rules in force and may require them to pay a reasonable charge therefor.

33. IMPROVEMENTS

- 33.1. All alterations and/or improvements to the common property will be done in strict adherence to Prescribed Management Rule 29, which provides *inter alia* as follows:
- 33.1.1. The body corporate may on the authority of a unanimous resolution make alterations or improvements to the common property that is not reasonably necessary; and
- 33.1.2. The body corporate may propose to make alterations or improvements to the common property that are reasonably necessary, provided that no such proposal may be implemented until all members are given at least 30 days written notice with details of:
- 33.1.2.1. The estimates costs associated with the proposed alterations or improvements;
- 33.1.2.2. Details of how the body corporate intends to meet the costs, including details of any special contributions or loans by the body corporate that will be required for this purpose; and
- 33.1.2.3. A motivation for the proposal including drawings of the proposed alterations or improvements showing their effect and a motivation of the need of them;
- 33.1.3. If during this notice period any member in writing to the body corporate requests a general meeting to discuss the proposal, the proposal must not be implemented unless it is approved, with or without amendment, by a special resolution adopted at a general meeting.

34. MINUTES

- 34.1. The trustees shall:
- 34.1.1. keep minutes of their proceedings;
- 34.1.2. cause minutes to be kept of all meetings of the body corporate in a minute book of the body corporate kept for the purpose; and
- 34.1.3. include in the minute book of the body corporate a record of every unanimous resolution, special resolution, and any other resolution of the body corporate.
- 34.2. The trustees shall keep all minute books in perpetuity.
- 34.3. On the written application of any owner or registered mortgagee of a unit, the trustees shall make all minutes of their proceedings and the minutes of the body corporate available for inspection by such owner or mortgagee.

35. BOOKS OF ACCOUNT AND RECORDS

- 35.1. The trustees shall cause proper books of account and records to be kept so as fairly to explain the transaction and financial position of the body corporate, including:

- 35.1.1. a record of the assets and liabilities of the body corporate;
 - 35.1.2. a record of all sums of money received and expended by the body corporate and the matters in respect of which such receipt and expenditure occur;
 - 35.1.3. a register of owners and of registered mortgagees of units and of all other persons having real rights in such units (insofar as written notice shall have been given to the trustees by such owners, mortgagees, or other persons) showing in each case their addresses; and
 - 35.1.4. individual ledger accounts in respect of each owner.
- 35.2. On the application of any owner, registered mortgagee or of the managing agent the trustees shall make all or any of the books of account and records available for inspection by such owner, mortgagee or managing agent.
- 35.3. The trustees shall cause all books of account and records to be retained for a period of six years after completion of the transactions, acts or operations to which they relate
- 35.3.1. provided that minute books shall be retained for so long as the scheme remains registered.

36. ANNUAL FINANCIAL ESTIMATE, FINANCIAL STATEMENT AND REPORT

- 36.1. Prior to the commencement of every financial year of the body corporate, the trustees shall cause to be prepared an itemised estimate of the anticipated income and expenses of the body corporate for the ensuing financial year, which estimate shall be laid before the annual general meeting for consideration in terms of rule 56 hereof.
- 36.2. The estimate of expenses referred to in sub rule (1) shall include a reasonable provision for contingencies and the maintenance of the common property.

37. ANNUAL FINANCIAL STATEMENT

- 37.1. The trustees shall cause to be prepared, and shall lay before every annual general meeting, for consideration in terms of rule 56, a financial statement in conformity with generally accepted accounting practice, which statement shall fairly present the state of affairs of the body corporate and its finances and transactions as at the end of the financial year concerned.
- 37.2. The financial statement shall include information and notes pertaining to the proper financial management by the body corporate, including:
 - 37.2.1. an analysis of the periods of debts and the amounts due in respect of levies, special levies, and other contributions;
 - 37.2.2. an analysis of the periods and the amounts due, owing by the body corporate to the creditors and in particular to any public or local authority in respect of rates, taxes and charges for consumption or services, including but not limited to, water, electricity, gas, sewerage and refuse removal;
 - 37.2.3. amounts in the reserve fund showing the amount available for maintenance, repair, and replacement of each major capital items as a percentage of the accrued estimated cost and the rand value of any shortfall; and

37.2.4. expiry dates of all insurance policies.

38. ANNUAL TRUSTEES' REPORT

38.1. The trustees shall further cause to be prepared and shall lay before every annual general meeting a report signed by the chairperson reviewing the affairs of the body corporate during the past year, for consideration in terms of rule 56.

39. DELIVERY OF ESTIMATE, STATEMENT, AND REPORT

39.1. The trustees shall cause copies of the schedules, estimate, audited statement, and report referred to in rules 29, 36, 37 and 38 to be delivered to each owner, and to any mortgagee which has advised the body corporate of its interest, at least fourteen days before the date of the annual general meeting at which they are to be considered.

39.2. Delivery for purposes of sub-rule 1 shall be deemed to have been effected if the documents referred to are sent to the owner at the address referred to in rule 3.5, and to any mortgagee as aforesaid at the address of such mortgagee as reflected in the records of the body corporate.

39.3. Delivery for purposes of sub-rule 1 shall also be deemed to have been effected on the owner if the said documents are transmitted by facsimile or electronic mail to a facsimile number or electronic mail address specified by such owner in writing for the purposes of receiving such documentation which specification shall only be effective on receipt thereof by the body corporate at its *domicilium*.

40. AUDIT

40.1. At the first general meeting and thereafter at every ensuing annual general meeting, the body corporate shall appoint an auditor to hold office from the conclusion of that meeting until the conclusion of the next annual general meeting.

40.1.1. however, if the scheme comprises of less than 10 units, an accounting officer may be appointed for that purpose; and

40.1.2. the auditor or accounting officer, as the case may be, must sign the financial statements.

41. DEPOSIT AND INVESTMENT OF FUNDS

41.1. The trustees shall cause all moneys received by the body corporate to be deposited to the credit of an account or accounts with a registered commercial bank or building society in the name of the body corporate and, subject to any direction given or restriction imposed at a general meeting of the body corporate, such moneys shall only be withdrawn for the purpose of payment of the expenses of the body corporate or investment in terms of rule 43.

42. DEPOSIT OF FUNDS

42.1. The trustees may authorise the managing agent to administer, and operate, the accounts referred to in rule 41 and 43, provided that:

42.1.1. where the managing agent is an estate agent as defined in the Estate Agents' Act, 112 of 1976, the trustees may authorise such managing agent to deposit

moneys contemplated in rule 41 in a trust account as contemplated in section 32(3) of the Estate Agents' Act, 112 of 1976 (same apply where the managing agent is an Attorney) which moneys shall only be withdrawn for the purposes contemplated in rule 41.

43. INVESTMENT OF FUNDS

43.1. Any funds not immediately required for disbursement, may be invested in a savings account, fixed deposit, money market account, or similar account with any registered building society or bank approved by the trustees from time to time.

44. USE OF INTEREST

44.1. Interest on moneys invested shall be used by the body corporate for any lawful purposes.

45. NO REFUNDS OR DISTRIBUTION OF PROFITS OR ASSETS

45.1. The owners shall not be entitled to a refund of contributions lawfully levied upon them and duly paid by them.

45.2. No portion of the profits or gains of the body corporate shall be distributed to any owner or any other person except upon destruction or deemed destruction of the building, or where such profit or gain is a capital nature.

PART 5: MANAGING AGENTS

46. MANAGING AGENT

46.1. Notwithstanding anything to the contrary contained in rule 28, and subject to the provisions of section 7(1) of the STSMA, the trustees may from time to time, and shall if required by a registered mortgagee of 25 per cent of the units or by the members of the body corporate in a general meeting, appoint in terms of a written contract a managing agent to control, manage and administer the common property and the obligations to any public or local authority by the body corporate on behalf of the unit owners, and to exercise such powers and duties as may be entrusted to the managing agent, including the power to collect levies and to appoint a supervisor or caretaker.

46.2. A managing agent is appointed for an initial period of one year and thereafter such appointment shall automatically be renewed from year to year unless the body corporate notifies the managing agent to the contrary, provided that:

46.2.1. notice of termination of the contract may be given by the trustees, as set out in Management Rule 28(8) contained in the Schedule to the STSMA, by means of a resolution taken at a trustee meeting or an ordinary resolution taken at a general meeting after the expiry of the year period; or

46.2.2. before the expiry of the year period, with two months written notice, if the cancelation is first approved by a special resolution at a general meeting, as contained in Management Rule 28(7)(a) in the Schedule to the STSMA.

- 46.3. The managing agent shall ensure that there is included in the contract of appointment of all managing agents a provision to the effect that if it is in breach of any of the provisions of his contract, or if he is guilty of conduct which at common law would justify the termination of a contract between master and servant, the trustees may, without notice, cancel such contract of appointment, and that the managing agent shall have no claim whatsoever against the body corporate or any of the owners as a result of such cancellation:
- 46.3.1. the foregoing provisions shall in no way detract from the trustees and the body corporate against:
- 46.3.1.1. all litigation costs reasonably incurred by the trustees in enforcing such cancellation against the managing agent; and
- 46.3.1.2. all other costs and damages arising out of such cancellation, purported cancellation, or litigation for which the trustees or the body corporate might be liable up to the time such owner or mortgagee formally notifies the trustees that he no longer requires them to pursue the action.
- 46.4. The trustees shall not be required to cancel the contract of appointment of the managing agent, unless and until, the owner or mortgagee requiring cancellation in terms of paragraph has furnished them with the security and indemnity as specified in rule 46.

47. POWERS AND DUTIES OF MANAGING AGENT

- 47.1. The contract with the managing agent shall further provide for the appointment to be revoked, and such managing agent shall cease to hold office, where:
- 47.1.1. the managing agent is a juristic person, an order is made for its provisional or final liquidation or, where the managing agent is a natural person, he applies for the surrender of his estate as insolvent or his estate is sequestrated either provisionally or finally or, where the managing agent is a company, it is placed under judicial management;
- 47.1.2. the managing agent is convicted of an offence involving an element of fraud or an element of dishonesty or, where the managing agent is a company or a close corporation, any of its directors or members is convicted of an offence involving an element of fraud or an element of dishonesty; or
- 47.1.3. a special resolution of the members of the body corporate is passed to that effect, provided that in such event the managing agent so removed from office shall not be deprived of any right he may have to claim compensation or damages for breach of contract.

48. RECORDS OF ADMINISTRATION

- 48.1. The managing agent shall keep full records of his or her administration and shall report to the body corporate and to all holders of registered sectional mortgage bonds who have notified the body corporate of their interest in terms of rule 54.1 of all matters which in his or her opinion detrimentally affect the value or amenity of the common property and any of the sections.

49. NOTICE AND MINUTES TO MANAGING AGENT

- 49.1. The trustees shall give reasonable prior notice to the managing agent of all meetings of the trustees, and he may with the consent of the trustees be present thereat.

- 49.2. The trustees shall from time to time furnish to the managing agent with copies of the minutes of all meetings of the trustees and of the body corporate if such trustees deem it to be necessary.

PART 6: OWNERS AND OWNER'S MEETINGS

50. FIRST MEETING

- 50.1. The first meeting of owners shall be held within sixty days of the establishment of the body corporate, at least seven days' notice of which shall be given in writing, and which notice shall be accompanied by a copy of the agenda of such meeting and details of the items referred to in sub-rule 2.
- 50.2. The agenda for the meeting convened under sub rule 1, shall comprise at least the following:
- 50.2.1. the consideration, confirmation or variation of the insurances effected by the developer or the body corporate;
 - 50.2.2. the consideration, confirmation, or variation of an itemized estimate of the anticipated income and expenses of the body corporate for the ensuing financial year;
 - 50.2.3. the consideration and approval, with or without amendment, of the financial statements relating to the management, control, and administration of the building from date of establishment of the body corporate to date of notice of the meeting referred to in sub-rule 1;
 - 50.2.4. subject to section 15(2) of the STSMA, the taking of cession of such contracts relating to the management, control and administration of the building as may have been entered into by the developer for the continual management, control and administration of the building and the common property and in respect of which the developer shall be obliged to submit such contracts to the meeting;
 - 50.2.5. the appointment of an auditor, or where applicable, an accounting officer;
 - 50.2.6. the election of trustees;
 - 50.2.7. any restrictions imported or directions given in terms of section 7(1) of the STSMA; and
 - 50.2.8. determination of the *domicilium* of the body corporate.

51. ANNUAL GENERAL MEETING

- 51.1. An annual general meeting shall be held within four months of the end of each financial year.
- 51.2. Unless otherwise decided at a general meeting or by the trustees, the financial year of the body corporate shall run from the first day of March of each year to the last day of February of the following year.

52. SPECIAL GENERAL MEETING

- 52.1. All general meetings other than the annual general meeting shall be called special general meetings.

53. CONVENING MEETINGS

- 53.1. The trustees may whenever they think fit and shall upon a request in writing made either by:
- 53.1.1. owners entitled to 25 per cent of the total of the quotas of all sections; or
 - 53.1.2. by any mortgagee holding mortgage bonds over not less than 25 per cent in number of the units,
- convene a special general meeting.
- 53.2. If the trustees fail to call a meeting so requested within fourteen days of the request, the owners or mortgagee concerned shall be entitled to themselves to call the meeting.

54. NOTICE OF GENERAL MEETINGS

- 54.1. Notice of general meetings shall be given to:
- 54.1.1. all owners;
 - 54.1.2. to all holders of registered mortgage bonds over units who have advised the body corporate of their interests; and
 - 54.1.3. the managing agent.
- 54.2. Unless otherwise provided for in the STSMA, at least fourteen days' notice of every general meeting, shall be given to everyone specified in sub-rule 1, specifying:
- 54.2.1. the place, within the magisterial district where the scheme is situated, or such other place determined by special resolution of members of the body corporate;
 - 54.2.2. the date and the hour of the meeting; and
 - 54.2.3. in the case of special business, the general nature of such business.
- 54.3. The holders of registered mortgage bonds and the managing agent referred to in sub-rule 1, shall have the right to attend the meeting herein referred to and to speak at such meetings, but shall not, in their respective capacities as such, be entitled to vote thereat.
- 54.4. The notice referred to in sub-rule 2 shall be deemed to have been sufficiently given and delivered if delivered in accordance with rule 39.2, alternatively rule 39.3.
- 54.5. The notice referred to in sub-rule 2 shall be accompanied by the documents referred to in rule 39.1, except in the case of a meeting contemplated in rule 50.1 or a special general meeting.
- 54.6. Inadvertent omission to give the notice referred to in sub rule 2, or failure to deliver the documentation referred to in rule 39.1, to any person entitled to such notice or

documentation, or the non-receipt of such notice or documentation by such person shall, save in the case of the persons contemplated in sub rule 54.1.2, not invalidate any proceedings at any such meeting.

- 54.7. A general meeting of the body corporate may be called on shorter notice than the specified in sub-rule 2 thereof, provided it is so agreed by all persons entitled to attend.
- 54.8. A special general meeting for the purposes of passing a unanimous or special resolution may be convened by giving 30 days' notice;
- 54.8.1. a lesser notice period can be given if, in the opinion of the trustees, it is necessary due to the urgency of a matter or due to the specific nature of a matter to convene the meeting with such shorter period of notice.

55. ORDINARY AND SPECIAL BUSINESS

- 55.1. All business at any general meeting other than business referred to in rule 56.1.1 to 56.1.4, shall be special business.

56. BUSINESS AT ANNUAL GENERAL MEETINGS

- 56.1. The following business shall be transacted at an annual general meeting:
- 56.1.1. the consideration of the financial statement and report referred to in rules 37 and 38;
- 56.1.2. the approval with or without amendment of:
- 56.1.2.1. the schedules of replacement values referred to in rule 29.1;
- 56.1.2.2. the estimate of income and expenditure referred to in rule 36;
- 56.1.2.3. the appointment of an auditor or an accounting officer;
- 56.1.2.4. the determination of the number of trustees for the ensuing year;
- 56.1.2.5. the election of trustees for the ensuing year;
- 56.1.2.6. any special business of which due notice has been given in terms of rule 54.2.3;
- 56.1.2.7. the giving of directions or the imposing of restrictions referred to in 7(1) of the STSMA;
- 56.1.2.8. the determination of the *domicilium citandi et executandi* of the body corporate; and
- 56.1.2.9. the confirmation by the auditor or accounting officer that any amendment, substitution, addition, or repeal of the rules (as contemplated in section 10(5)(a) of the STSMA) have been approved by the Chief Ombud, who have issued a certificate in that respect, and submitted to the Registrar of Deeds for filing (as contemplated in section 10(5)(c) of the STSMA).

57. QUORUM AT A GENERAL MEETING

- 57.1. No business shall be transacted at any general meeting unless a quorum of persons is present in person or by proxy at the time when the meeting proceeds to business.
- 57.2. A quorum at a general meeting shall be:
- 57.2.1. the number of owners holding at least 50 per cent of the votes, present in person or by proxy or by representative recognised by law and entitled to vote, in schemes where there are ten units or less;
 - 57.2.2. the number of owners holding at least 35 per cent of the votes, present in person or by proxy or by representative recognized by law and entitled to vote in the case of schemes with less than 50 but more than 10 units; or
 - 57.2.3. the number of owners holding at least 20 per cent of the votes present in person or by proxy or by representative recognized by law and entitled to vote, in the case of schemes with 50 or more units.

58. ADJOURNMENT DUE TO LACK OF QUORUM

- 58.1. If after a half-an-hour from the time appointed for a general meeting, a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same place and time, and if at the adjourned meeting a quorum is not present within half-an-hour of the time appointed for the meeting, the owners present in person or by proxy and entitled to vote shall form a quorum.

59. CHAIRPERSON

- 59.1. The chairperson, if any, of the trustees shall preside as chairperson at every general meeting of the body corporate, unless otherwise resolved by members of the body corporate at such meeting.
- 59.2. If there is no such chairperson, or if, at any meeting, the chairperson of the trustees is not present within fifteen minutes after the time appointed for the holding of the meeting, or if he is unwilling or unable to act as chairperson, the members present shall elect a chairperson for such meeting.

60. POLL

- 60.1. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless either prior to or on the declaration by the chairperson of the result of the show of hands, a poll is demanded by any person entitled to vote at such meeting.
- 60.2. Unless a poll be so demanded, a declaration by the chairperson that a resolution has on the show of hands been carried, shall be conclusive evidence of that fact without proof of the number or proportion of votes recorded in favour of or against such resolution.
- 60.3. A demand for a poll may be withdrawn.

61. POLL PROCEDURE

61.1. A poll, if demanded, shall be taken in such a manner as the chairman thinks fit, and the result of the poll shall be deemed to be the resolution of the meeting at which such poll was demanded.

62. VOTES

62.1. On a show of hands the owner or owners of a section, or if the owner is a juristic person, its proxy, shall have one vote only, whether such owner or owners own more than one section or not: Provided that the chairman shall be entitled, in his discretion, to change the manner of voting to one by poll and not by show of hands.

63. VALUE OF VOTES FOR SPECIAL OR UNANIMOUS RESOLUTIONS OR ON A POLL

63.1. For the purpose of unanimous or special resolution (with or without a ballot), or on a poll the value of the vote of the owner or owners of a section shall be reckoned in accordance with a determination made in terms of section 32 (4) of the STA, read with Section 11(2)(a) of the STSMA, or, in the absence of this determination, in accordance with participation quotas.

64. NO VOTE IN CERTAIN CIRCUMSTANCES

64.1. Except in cases where a special resolution or unanimous resolution is required under the Act, an owner shall not be entitled to vote at any general meeting, if:

64.1.1. any contribution payable by him in respect of his section and his undivided share in the common property have not been duly paid after a court or adjudicator has given a judgment or order for payment of that amount; or

64.1.2. he persisted in breach of any of the conduct rules referred to in section 10(2)(b) of the STSMA, after a court or an adjudicator has ordered that member to refrain from breaching such rule, provided that:

64.1.2.1. any registered mortgagee shall remain entitled to vote as such owner's proxy at any general meeting, even though the foregoing provisions of this paragraph may apply to such owner.

65. VOTING BY TRUSTEE FOR BENEFICIARY OF A TRUST

65.1. Where an owner of a section is as such a trustee for a beneficiary, he shall exercise the voting rights in respect of the section to the exclusion of persons beneficially interested in the trust and such persons shall not be entitled to vote.

66. JOINT VOTERS

66.1. When two or more persons are entitled to exercise one vote jointly, that vote shall be exercised only by a person (who may or may not be one of them), jointly appointed by them, as their proxy.

66.2. Notwithstanding sub-rule 1, where two or more persons are entitled to exercise one vote jointly, any one of them may demand a poll.

67. PROXIES

- 67.1. Votes at a general meeting may be cast either personally or by proxy, whether on a poll or on a show of hands.
- 67.2. A proxy shall be appointed in writing under the hand of the appointer, or his agent duly appointed in writing, and shall be handed to the Chairman prior to the commencement of the meeting:
- 67.2.1. however, the foregoing provisions shall not apply in the case of any proxy created and contained in any registered mortgage bond if such mortgage bond is produced at the meeting.
- 67.3. No person may act as a proxy for more than two members.
- 67.4. A proxy need not be an owner but shall not be the managing agent or any of his or her employees, or an employee of the body corporate.

PART 7: OWNERS' CONTRIBUTIONS

68. LEVY CONTRIBUTIONS

- 68.1. The owners shall be liable to make contributions, and the proportions in which the owners shall make contributions for the purposes of section 3(1)(a) of the STSMA, or may in terms of section 15 of the STSMA be held liable for the payment of a judgement of debt of the body corporate, shall with effect from the date upon which the body corporate comes into being, be borne by the owners in accordance with a determination made in terms of section 32(4) of the STA, or in the absence of such determination, in accordance with the participation quotas attaching to their respective sections.
- 68.1.1. The calculation, and approval, of levy contributions will proceed in accordance with rule 31.
- 68.2. The owners agree that ,when any payments are made to the body corporate, such payments will be allocated to current levies first, thereafter the excess of the contributions will be allocated to the arrear contributions, if any.
- 68.3. The levy contributions will consist of:
- 68.3.1. contributions in relation to the administrative and reserve fund;
- 68.3.2. contributions in relations to any special levy;
- 68.3.3. additional exclusive use and common property contributions, such as:
- 68.3.3.1. rates and taxes;
- 68.3.3.2. water and electricity; and
- 68.3.3.3. insurance, if applicable,
- 68.3.4. CSOS levy;

- 68.3.5. rental, if owner leases part of the common property;
 - 68.3.6. legal fees, as more fully dealt with in rule 69 hereunder;
 - 68.3.7. interest, as more fully dealt with in rule 70 hereunder; and
 - 68.3.8. penalties and/or fines, as more fully dealt with in rule 71 hereunder.
- 68.4. The owners further herewith agree that any arrear levies may attract additional administrative costs for such owners at a rate determined and ratified annually and will be charged at a rate to be agreed by and between the managing agent and the trustees:
- 68.4.1. The owners further agree that the trustees and/or managing agent shall be entitled to levy the administrative costs, onto the owner's levy statement as a contribution payable by the specific owner.

69. LEGAL COSTS

- 69.1 The owners herewith agree that they will be bound by a special resolution, in the event that one is passed by the members, to pay all legal costs, including costs as between attorney and client, as levied by such attorneys, collection commission, expenses and charges incurred by the body corporate in obtaining the recovery of arrear levies, or any other arrear amounts due and owing by such owner to the body corporate, or in enforcing compliance with these rules, the conduct rules, the STSMA, or its regulations as taxed or agreed in terms of Regulation 25(4).
- 69.2 The owners further agree that the trustees and/or managing agent shall be entitled to levy the legal costs, onto the owner's levy statement as a contribution payable by the specific owner, provided that a special resolution to this effect is passed by the members.

70. INTEREST ON ARREAR LEVIES

- 70.1. The owners agree that the trustees and/or managing agent shall be entitled to charge interest on arrear amounts at such rate as they may from time to time determine, but the rate may not exceed the maximum rate of interest a year, under the Prescribed Rate of Interest Act, 55 of 1975, read with the National Credit Act, 34 of 2005, as determined from time to time by the Minister of Justice, compounded monthly in arrears.
- 70.2. The owners further agree that the current interest rate would be 24% per annum, capitalised monthly, in arrears.
- 70.3. Furthermore, the owners agree that the trustees and/or managing agent shall be entitled to levy the interest, onto the owner's levy statement as a contribution payable by the specific owner.
- 70.4. The trustees shall be entitled to amend such interest rate upon a majority resolution, provided that rule 70.1 is adhered to.
- 70.5. The interest rate shall automatically be reduced as envisaged in rule 70.1 to the maximum interest rate, should same exceed the prescribed interest rate.

71. FINES AND PENALTIES

- 71.1. The owners agree that any fines and/or penalties for contravention of the body corporate's conduct rules, shall be levied onto the owner's levy statement as a contribution payable by the specific owner.

PART 8: BINDING NATURE AND ELECTRONIC COMMUNICATION

72. BINDING NATURE

- 72.1. The provisions of these rules and of the conduct rules, and the duties of the owner in relation to the use and occupation of sections and common property shall be binding on the owner of any section and any lessee or other occupant of any section, and it shall be the duty of the owner to ensure compliance with the rules by his lessee or occupant, including employees, guests and any member of his family, his lessee, or his occupant.
- 72.2. An owner whose unit is occupied by a tenant(s) undertakes to include a clause into the lease agreement that the tenant understands and have familiarised himself with this rules and the conduct rules and will be bound to such rules.
- 72.3. The owner further undertakes to provide a copy of these rules to such tenant(s), which tenant will automatically be bound by these rules.

73. ELECTRONIC TRANSMISSION OF NOTICES AND RETAINING, PROVIDING AND/OR DELIVERING DOCUMENTS, RECORDS OR STATEMENTS

- 73.1. If, in terms of the STSMA, or the management rules, or conduct rules, a notice is required or permitted to be given to any person, it is sufficient if the notice is transmitted electronically directly to that person in a manner and form such that the notice can conveniently be printed by the recipient within a reasonable time and at a reasonable cost.
- 73.2. If, in terms of the Act or the management rules or conduct rules, a document, record or statement, other than a notice contemplated in sub-rule 1 above, is required:
- 73.2.1. to be retained, it is sufficient if an electronic original or reproduction of that document is retained as provided for in section 15 of the Electronic Communications and Transactions Act;
- 73.2.2. to be provided or delivered, it is sufficient if:
- 73.2.2.1. an electronic original or reproduction of that document, record or statement is provided or delivered by electronic communication in a manner and form such that the document, record, or statement can conveniently be printed by the recipient within a reasonable time and at a reasonable cost; or
- 73.2.2.2. a notice of the availability of that document, record, or statement, summarising its content and satisfying any prescribed requirements, is delivered to each intended recipient of the document, record, or statement, together with instructions for receiving the complete document, record, or statement.

74. SIGNATURE OF DOCUMENTS IN MANNER PROVIDED FOR IN THE ELECTRONIC COMMUNICATIONS AND TRANSACTIONS ACT AND RESOLUTIONS AGREED TO IN WRITING BY THE OWNERS

- 74.1. If a provision of the STSMA, or the Management Rules, or Conduct Rules, requires a document to be signed or initialled:
- 74.1.1. by or on behalf of a person, that signing, or initialling may be affected in any manner provided for in the Electronic Communications and Transactions Act; or
 - 74.1.2. by two or more persons, it is sufficient if:
 - 74.1.2.1. all of those persons sign a single original of the document, in person or as contemplated in sub-rule 1; or
 - 74.1.2.2. each of those persons signs a separate duplicate original of the document, in person or as contemplated in sub-rule 1, and in such a case, the several signed duplicate originals, when combined, shall constitute the entire document.
 - 74.1.3. a signature contemplated in sub-rule 2, may be affixed to or placed on the certificate by autographic, mechanical, or electronic means.
 - 74.1.4. for the purpose of adopting ordinary resolutions, special resolutions or unanimous resolutions in writing, a written consent by an owner may be given by electronic communication, provided that a notice of the matter to be decided upon shall be sent or delivered to all owners. A decision made in this manner is of the same effect as if it had been approved by voting at a general meeting convened for this purpose.

75. ELECTRONIC PARTICIPATION IN TRUSTEES' MEETINGS

- 75.1. Every meeting of the trustees must be reasonably accessible for electronic participation by trustees and owners in the manner contemplated in sub-rule 3, irrespective of where the meeting is held.
- 75.2. Before any person may attend or participate in a trustees' meeting:
- 75.2.1. that person must present reasonably satisfactory identification; and
 - 75.2.2. the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, as a trustee, has been reasonably verified.
- 75.3. A meeting of the trustees may be conducted by electronic communication, or one or more trustees may participate in a meeting by electronic communication, so long as the electronic communication facility employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.
- 75.4. A trustee may be present at a trustees' meeting in person or may participate in the trustees' meeting by electronic communication.
- 75.5. An owner may be present at a trustees' meeting in person or may participate in the trustees' meeting by electronic communication.

- 75.6. The notice of that meeting must inform trustees of the availability of that form of participation and provide any necessary information to enable trustees to access the available medium or means of electronic communication.
- 75.7. Access to the medium or means of electronic communication at a trustees' meeting is at the expense of the body corporate.