

**MANAGEMENT RULES AND RULES OF CONDUCT OF THE
JACOBSBAAI RETIREMENT VILLAGE**

MANAGEMENT RULES

The Management Rules are the rules as contained in clauses 7 to 14 of regulation 1351 dated 30 June 1989 issued by the Department of Trade and Industry in terms of Act 65 of 1988.

- “7. (a) With effect from the date on which a developer first alienates a housing interest to a purchaser, there shall be deemed to be established for that housing development scheme, a management association, of which the developer and such purchaser are members, and every person to whom thereafter a housing interest is alienated shall be a member of that management association.
- (b) The management association shall be responsible for the enforcement of the rules, referred to in regulation 9(1)(o), and for the control and administration and management of the housing development scheme, the accommodation, the land, the common property, facilities and services for the benefit of all members.
- (c) The provisions of the Companies Act, 1973 (Act No. 61 of 1973), shall not apply in relation to the management association.
- (d) The management association shall have perpetual succession and shall be capable of suing and being sued in its corporate name in respect of-
- (i) any contract made by it;
- (ii) any damage done to the land, the common property or facilities;
- (iii) any matter in connection with the housing development scheme, the land, the common property, facilities or services for which the management association is responsible; and
- (iv) any matter arising out of the exercise of its powers or the performance or non-performance of its functions under this Act or any rules referred to in regulation 9(1)(o).
8. (1) Subject to any restriction imposed or direction given at a general meeting of members, it shall be the duty of the management association-
- (a) to insure the building or buildings relating to the housing development scheme and keep it insured to its replacements value against fire;
- (b) to insure against such other risks as the members may by special resolution determine;
- (c) to maintain the common property and all accommodation and to keep it in a state of good and serviceable repair;
- (d) to comply with any notice or order by any competent authority requiring any repairs to or work in respect of the relevant land or buildings;
- (e) to ensure compliance with any laws relating to the common property or to any improvement on land comprised in the common property;
- (f) control, manage and administer the common property for the benefit of all members;

- (g) keep in a state of good and serviceable repair and properly maintain the plant, machinery, fixtures and fittings, including elevators, used in connection with the common property;
 - (h) subject to the rights of the local authority, maintain and repair, including renewal where reasonably necessary, pipes, wires, cables and ducts existing on the land and capable of being used in connection with the enjoyment of more than one accommodation or of the common property;
 - (i) on the written request of any member or registered mortgagee, in respect of a housing interest to produce to such member or mortgagee, or any person authorized in writing by such member or mortgagee, the policy or policies of insurance effected by the management association and the receipt or receipts for the last premium or premiums in respect thereof;
 - (j) to enforce the rules referred to in regulation 9 (1)(o); and
 - (k) to keep a register of members in such manner as the management association decides.
- (2) The management association shall for the purpose of effecting any insurance under sub regulation (1)(a), be deemed to have an insurable interest in the replacement value of the building and shall, for the purpose of effecting any other insurance under that subsection, be deemed to have an insurable interest in the subject matter of such insurance.
9. (1) Subject to any restriction imposed or direction given at a general meeting of members, the management association shall have the power-
- (a) to establish for administrative expenses a levy fund sufficient in the opinion of the management association for the repair, upkeep, control, management and administration of the housing development scheme, accommodation, land, common property, and the building or buildings relating thereto, including a reasonable provision for the future maintenance and repairs, for the payment of rates and taxes, for the supply of electric current, gas, water, fuel and sanitary and other services to the building and land and any premiums of insurance, and for the discharge of any obligation of the management association;
 - (b) to require from the members whenever necessary, to pay the levy for the purpose of satisfying any claims against the management association;
 - (c) to determine from time to time the amounts to be raised for the purpose aforesaid;
 - (d) to raise the amounts so determined by requiring the members to pay the levy in terms of regulation 14;
 - (e) to open and operate a current account and a savings account with a banking institution or a building society;
 - (f) to appoint employees as it may deem fit;
 - (g) to purchase, hire or otherwise acquire moveable property for the purpose of the operation of the housing development scheme;
 - (h) to expand the facilities and services;

- (i) to borrow money required by it in the performance of its duties or the exercise of its powers;
 - (j) to secure the repayment of money borrowed by any manner permitted in law, including the cession of any unpaid levies whether due and payable or not, or by suretyship or by encumbering any property vested in the management association;
 - (k) to invest any money of the fund referred to in paragraph (a);
 - (l) to enter into an agreement with the local authority or any person or body for the supply to any building and the land of electric current, gas, water, fuel and sanitary and other services;
 - (m) to enter into an agreement with any member for the provision of amenities or services by him to the accommodation relating to such housing interest or to the member or occupier thereof;
 - (n) to do all things reasonably necessary for the enforcement of the rules referred to in paragraph (o) and the control, management and administration of the common property;
 - (o) to make rules for the conduct of members, which rules shall not be in conflict with the Act or a regulation, shall be reasonable, and apply equally to all members in respect of accommodation put to substantially the same use;
 - (p) to appoint a committee of the management association, which, subject to the directions of the management association, shall exercise all the powers and perform all the functions conferred upon it by the management association and which committee shall meet and conduct its affairs as the committee may from time to time decide; and
 - (q) to prohibit the transfer or any alienation of any housing interest unless any levy or other money due to the management association in respect of the housing interest concerned have been paid or provision has been made to the satisfaction of the said management association for the payment thereof.
- (2) Any contribution levied under any provision of sub regulation (1) shall be due and payable on the passing of a resolution to that effect by the management association and may be recovered by the management association by action in any court including any magistrate's court of competent jurisdiction, from persons who are members at the time such resolution is passed.
- (3) The management association shall on the application of a member or any person authorised by such member certify in writing-
- (a) the amount determined as the contribution of that matter;
 - (b) the manner in which such contribution is payable;
 - (c) the extent to which such contribution has been paid by that member; and
 - (d) the amount of any rate paid by the management association and not recovered by it.
- (4) The management association shall have the right to assign or cede to the managing agent any of its rights and duties in terms of these regulations.

- (5) All general meetings other than the annual general meeting of the management association shall be called special general meetings and annual general meetings shall be held once every year: Provided that not more than 15 (fifteen) months shall elapse between the date of one annual general meeting and that of the next.
- (6) At all meetings of the management association matters shall be determined by a simple majority vote of those present in person or by proxy and a member shall, on a show of hands have one vote, or on a poll, one vote for each housing interest alienated to such member.
- (7) (a) The management association shall determine the matters relating to meetings of members and proceedings at such meetings, and until such determination the following shall apply-
- (i) at least 14 (fourteen) days notice of every general meeting, specifying the place, within the magisterial district where the housing development scheme is situated, the date and hour of the meeting, and in the case of special business the general nature of such business shall be given in that notice to all members, the developer and the managing agent;
 - (ii) the following business shall be transacted at an annual general meeting-
 - (aa) the approval with or without amendment of the budget referred to in regulation 12(1);
 - (bb) the election of the committee referred to in sub regulation (1)(p);
 - (cc) any special business of which due notice has been given; and
 - (dd) the determination of the *domicilium citandi et executandi* of the management association.
 - (b) No business shall be transacted at a general meeting unless a quorum of members is present in person or by proxy at the time when the meeting proceeds to commence business, and a quorum shall be at least one member and one representative of the developer, or two members.
 - (c) The chairman of the committee envisaged in sub regulation (1)(p) shall preside at every general meeting of the management association.
10. A developer shall convene a meeting of the members of the management association, not later than 60 (sixty) days after the establishment of the management association, at which meeting he shall furnish the members with a certificate from the local authority within whose jurisdiction the land is situated, to the effect that all rates and taxes due in respect of the land up to the date of the establishment of the management association have been paid.
11. As from the date of establishment of the management association the rights and obligations of the developer arising from the management agreement shall be deemed to have been assigned to the management association.
- 12.(1) The management association shall prepare, or cause to be prepared, for each fiscal year of the management association, a detailed budget of expected income and expenditure of the management association, in connection with the proper control and operation of the relevant housing development scheme, for the following year, including a reasonable provision for future maintenance and repairs, and shall have such budget approved at the management association's annual general meeting.

- (2) The budget for each fiscal year shall be made available to all members of housing interests at least 14 (fourteen) days prior to the date of the management association's annual general meeting.
13. The rate of interest for the purposes of section 8(1)(a)(i) of the Act shall be the rate of interest prescribed from time to time in terms of the Prescribed Rate of Interest Act, 1975 (Act No. 55 of 1975).
- 14.(a) Subject to paragraphs (b) and (c), the liability of a member to pay the levy for the purposes of regulation 9(1)(a), shall be a percentage, expressed to 4 decimal places, and arrived at by dividing the floor area, correct to the nearest square metre, of the accommodation, by the floor area, correct to the nearest square metre, of all the accommodation in the housing development scheme.
- (b) A developer shall be entitled to make rules in terms of which the liability of a member to pay the levy, as envisaged in paragraph (a), is changed: Provided that-
 - (i) such change shall be a percentage expressed to 4 decimal places;
 - (ii) such change is made by the developer before alienating any housing interest in the housing development scheme for the first time;
 - (iii) the developer shall disclose the change in the contract; and
 - (iv) where the developer fails to make such disclosure, levies for the purposes of regulation 9(1)(a) shall be paid in accordance with paragraph (a).
- (c) The developer shall on the basis set out in paragraphs (a) or (b), as the case may be, pay levies from the date of establishment of the management association on all housing interests which are owned by the developer and have not yet been alienated by him.

RULES OF CONDUCT

The rules of conduct might be adapted from time to time by the management association. On the 1st of June 2007 it reads as follows:

1. ANIMALS, REPTILES AND BIRDS

- 1.1 The occupant of a unit may not keep any animal, reptile or bird in the unit or on any other part of the developer's property without written consent from the management association. Such consent will not be withheld without good reason.
- 1.2 Reasonable terms and conditions will be compiled by the management association when supplying such written consent.
- 1.3 The management association may revoke the written consent if any of the terms and conditions mentioned in paragraph 1.2 is not adhered to.

2. GARBAGE REMOVAL

The occupant of a unit should-

- 2.1 Have a clean, dry and hygienic garbage bin on the erf of his unit or on a part of the developer's property, as indicated by the management association.
- 2.2 Assure that garbage is in a closed garbage bag, and that tins and other objects are free from liquid before being placed in the garbage bins.
- 2.3 Place the garbage bin on a spot as indicated by the management association, on a specific time for the garbage to be removed.
- 2.4 Return the garbage bin once it has been cleaned, to his unit or the place as mentioned in paragraph 2.1.

3. VEHICLES

- 3.1 No occupant will be allowed to park or leave or let a vehicle be parked or be left on any part of the developer's property, or municipal property within the resort, excluding the erf on which the occupant's unit is allocated, without the written consent from the management association
- 3.2 The management association has the authority to remove any vehicle which is parked or abandoned without their written consent on any part of the above mentioned property, excluding the property allocated to the occupant, by either removing or towing on the occupants own risk and cost.
- 3.3 Occupants should ensure that neither their vehicles nor the vehicles of their guests spill oil or brake fluid or cause damage to the property in any other way, be it on the developer's property or to municipal property within the resort, including the erf on which the occupant's unit is allocated
- 3.4 No occupant will be allowed to do major repair work on any vehicle on any part of the developer's property or municipal property within the resort, including the erf on which his unit is allocated.

4. DAMAGE OR CHANGES TO THE DEVELOPER'S PROPERTY

- 4.1 An occupant of a unit may not change or alter any part of the outside of the unit, be it with paint or by making marks, the driving in of nails or screws or anything likewise that can permanently damage or change the unit without the written consent of the management association and the developer.
- 4.2 The occupant of a unit will not be allowed to, make any structural changes, ad any constructions, put up any fences, lay own pipes or make any other changes to the outside of the developer's property without the written consent of the management association and the developer,
- 4.3 The occupant of a unit will however be allowed to make changes, for example painting and the driving in of nails for portraits, to the inside of the unit without the written consent of the developer and the management association. For any structural changes to the inside of the unit, written consent of the management association and developer is required.
- 4.4 The occupant of the unit will be responsible for keeping the inside of his unit clean and orderly. The occupant will also be responsible for the repair of the normal wear and tear that may occur within the unit, including the changing of bulbs, warm water cylinders, faulty wall plugs, railings, tiles, windows or any other item which does not make out part of the core structure.
- 4.5 The occupant of the unit will be held responsible for the upkeep of the erf and gardens on which his unit is situated.
- 4.6 The occupant of a unit will be allowed to plant scrubs and lawn on the erf of his unit, but to such an extent that it does not impact negatively on the usage of his neighbours' property. In the event that a dispute between neighbours occurs regarding this aspect, the management association will serve as arbiter and its decision will be final and binding on both parties.

5. SIGNS AND NOTICES

Without the written consent of the management association and developer no occupant of a unit will be allowed to put up any sign, notice or advertisement of any kind on any part of the unit or on any part of the developer's property or on the municipal property within the village in such a way that it might be visible on the outside of the unit,

6. GARBAGE

The occupant of a unit may not dump or allow the dumping of any rubbish, rubble, cigarette buds, left over food or any other kind of garbage on the erf where his unit is situated or on the property of the developer or on the municipal property within the resort.

7. LAUNDRY

Without the written consent from the developer and management association the occupant of a unit will not be allowed to erect his own washing line or suspend clothing from any part of the unit or on any part of property of the developer in such a way that it may be visible from the outside of the unit or from any other unit.

8. STORING OF FLAMMABLE AND OTHER HAZARDOUS MATERIAL

The occupant of a unit may not store or handle or allow the storing or handling of any dangerous material on the erf on which his unit is situated or on any other part of the developer's property which may cause the premium paid by the management association and developer on any insurance policy to increase.

9. LEASING OF UNITS

All lessees of units, as well as other persons to whom occupation right was granted by an occupant of a unit must abide by this code of conduct, notwithstanding other stipulations in clauses mentioned in an additional lease agreement or right of occupation.

10. OBLITERATION OF PLAGUES

The occupant of a unit must keep his unit clean and free of termites, drill insects or any other insects that destroys wood, and must allow the management association and developer and duly authorised agents or workers to inspect his unit from time to time to do whatever is needed to destroy any such plague. The costs involved in the destroying and repairing of any wood or other material damaged by such plagues which might found within the occupants unit will be paid by the occupant of the unit.