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RAPTOR'S VIEW HOME OWNERS' ASSOCIATION NPC

COMPARISON BETWEEN CLAUSES OF ARTICLES OF ASSOCIATION AND THE DRAFT MEMORANDUM OF INCORPORATION ("MOI")

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
1	Definitions			
1.1.1	The Act means the Companies Act, 71 of 2008, as amended.	1	The Companies Act means Act 61 of 1973, as amended or any Act which replaces it.	To update the definition to refer to the Companies Act, 71 of 2008. In terms of clause 1.3.4 any reference to any provision in legislation includes such provision as may be amended or modified from time to time.
1.1.2	Alterable Provision means a provision of the Act in which it is expressly contemplated that its effect on the Association may be negated, restricted, limited, qualified, extended or otherwise altered in substance or effect by this MOI.	-	-	To align with the Act, which has introduced the concept of alterable provisions. These are certain provisions in the Act which can be altered by a company in its MOI, for example the percentage required for the adoption of a special resolution can be change from 75% to some other percent.
1.1.3	Alternate Director means a person elected to serve as a member of the Board in substitution for a particular Director.	-	-	To align the MOI with the Act. These are persons nominated by directors to act in their place during

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				their absence or any inability to act as a director.
1.1.4	Board means the board of Directors of the Association, for the time being;	-	-	For ease of reference.
1.1.5	Business Day means any day that is not a Saturday, Sunday or official public holiday in South Africa;	-	-	To align with the Act. Notice periods in terms of the Act are now calculated in Business Days and not calendar days.
1.1.6	CC Act means the Close Corporations Act, 69 of 1984, as amended;	-	-	For ease of reference.
1.1.7	Commission means the Companies and Intellectual Property Commission, established in terms of section 185 of the Act;	-	-	For ease of reference. This is the new body established in terms of the Act to replace CIPRO.
1.1.8	Common Property means portions 10, 117, 130, 131, 132, 183, 184, 185, 249, 293, 323, 333 to 335, and the remaining extent of portion 1 of the Farm Happyland 241, Registration Division K.T., Limpopo Province, and all other portions of the aforesaid Farm as may be registered in the name of the Association from time to time, including the infrastructure, security facilities, paths and roads situated thereon, which are intended for the shared use of Members and their invitees;	1	The company's property means the remaining extent of the property after the developer has sold the residential portions to third parties but excluding the northern part of the property required by the developer as depicted by _____.	To: <ul style="list-style-type: none"> clearly identify the specific portions comprising the Common Property as well as any other portions that may be registered in the name of the Association in future; and delete the reference to the developer.
1.1.9	Director means a director of the Association, and where the context so requires a director's Alternate Director;	-	-	To clarify that any reference to a Director in the document is a reference to a director of the Association or an Alternate Director.
1.1.10	Electronic Communication means the emission, transmission or reception of information, including without limitation, voice, sound, data, text, video, animation, visual images, moving images and pictures, signals or a combination thereof by means of magnetism, radio or other electromagnetic waves, optical, electromagnetic systems or any agency of a like nature, whether with or without the aid of tangible conduct, but does not include content service;	-	-	To align the document with the Act, which has introduced the concept of conducting meetings and sending or receiving notices via Electronic Communication.
1.1.11	Estate means the Raptor's View Wildlife Estate comprising the Common Property and the Residential Portions;	1	The property means the Remainder of Portion 1 of the Farm Happylands No. 241, Registration Division K.T.	To clearly identify what the properties comprising the Estate.

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1.1.12	Estate Rules means: 1.1.12.1 the Raptor's View Wildlife Estate Homeowners Rules; 1.1.12.2 the Raptor's View Wildlife Estate Architectural Rules; and 1.1.12.3 all other rules made by the Board from time to time in terms of clause 24.2.1 ;	1	The rules means the rules made by the directors in terms of Article 6 as they apply from time to time.	To record the rules that are already in existence and to clarify that the Board's power to make rules is in respect of the Common Property only and not in respect of corporate governance relating to the Association.
1.1.13	Estate Manager means the estate manager appointed by the Board from time to time in terms of clause 19.1 ;	1	The manager means the manager appointed from time to time in terms of Article 8.	To clarify that the manager is appointed by the Board.
1.1.14	Member means a person defined in clause 6.1 who holds membership in the Association;	1	Members means the persons referred to in Article 4.1 as read with Article 4.3.	To amend the clause numbers.
1.1.15	MOI means this memorandum of incorporation of the Association and Schedule 1 hereto;	-	-	For ease of reference.
1.1.16	Object means the stated object of the Association set out in clause 5.1 ;	-	-	For ease of reference.
1.1.17	Regulations means the Companies Regulations, 2011, published in terms of General Notice R351 in Government Gazette 34239 of 26 April 2011, and any further regulations made in terms of the Act from time to time;	-	-	For ease of reference.
1.1.18	Residential Portions means portions 11 to 13, 15 to 116, 119 to 129, 134 to 182, 187 to 248, 252 to 292, 295 to 322, and 326 to 332 of the Farm Happyland No. 241, Registration Division K.T., Limpopo Province, and all other portions of the aforesaid Farm as may be owned by Members which are used or are intended to be used for residential purposes;	1	The residential portion shall mean any portion of the property to be sold and transferred for residential purposes.	To clearly identify the Residential Portions.
1.1.19	South Africa means the Republic of South Africa; and	1	The Republic means the Republic of South Africa.	For ease of reference.
1.1.20	Unalterable Provision means a provision of the Act that does not expressly contemplate that its effect on the Association may be negated, restricted, limited, qualified, extended or	-	-	To align with the Act, which has introduced the concept of unalterable provisions. These are certain provisions in the Act which have been incorporated into the MOI and cannot be negated, restricted,

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	otherwise altered in substance or effect by this MOI.			limited, qualified, extended or otherwise altered by the MOI, for example clause 27 of the MOI pertaining to winding-up or dissolution of the MOI.
1.2	All other words and expressions defined in the Act shall, unless the context indicates otherwise, bear the same meanings in this MOI.	1.2	Expressions defined in the Companies Act, or any statutory modification thereof, in force at the date on which these Articles become binding on the company shall have the meanings so defined.	To simplify and clarify this Article.
1.3	In this MOI, unless the context requires otherwise: <ul style="list-style-type: none"> 1.3.1 words importing any one gender shall include the other gender; 1.3.2 the singular shall include the plural and <i>vice versa</i>; 1.3.3 a reference to natural persons shall include created entities (corporate or unincorporated) and <i>vice versa</i>; 1.3.4 reference to any provision of the Act or Regulations shall include such provision as it may be modified or re-enacted from time to time; 1.3.5 any reference to any agreement or document shall be construed as a reference to such agreement or document as may have been, or may from time to time be, amended, varied, novated or supplemented. 	1.3	Words in the singular number shall include the plural and words in the plural shall include the singular, words importing the masculine gender shall include females and words importing persons shall include bodies corporate.	To provide for the modification or re-enactment of the Act or Regulations or the amendment, novation, variation or supplementing of any document referred to in the MOI.
1.4	In any instance where there is a conflict between a provision of this MOI and: <ul style="list-style-type: none"> 1.4.1 an Alterable Provision, the provision of this MOI shall prevail to the extent of the conflict; and 1.4.2 an Unalterable Provision, the Unalterable Provision shall prevail to the extent of the conflict unless this MOI imposes on the Association a higher standard, greater restriction, longer period of time or any similar more onerous requirement, in which event the relevant provision of this MOI shall prevail to the extent of the conflict. 	-	-	To record the position in terms of the Act with regards to the effect of the MOI on Alterable and Unalterable Provisions.
1.5	In this MOI, the headings have been inserted for convenience only and shall not be used for nor assist or affect its	-	-	To preclude headings from being used in the

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	interpretation.			interpretation of the MOI.
1.6	If anything in a definition is a substantive provision conferring rights or imposing obligations on anyone, effect shall be given to it as if it were a substantive provision in the body of this MOI.	-	-	To ensure that effect is given to any definitions which impose obligations on a party.
2	Status			
2.1	The Association is a pre-existing company, as defined in the Act, and continues to exist as a non-profit company as if it had been incorporated and registered in terms of the Act. This MOI replaces and supersedes the memorandum of incorporation of the Association applicable immediately prior to the filing of this MOI.	-	-	To record that: <ul style="list-style-type: none"> the Association continues in terms of the Act as a non-profit company; and the MOI replaces the Articles of Association.
2.2	The Association is a non-profit company in terms of section 1 of the Act, and accordingly:	-	-	To align the document with the Act.
	2.2.1 the object for which the Association was incorporated relates to communal or group interests;			
	2.2..2 the Association must apply all of its assets and income, however derived, to advance its Object;			
	2.2.3 subject to clause 2.2.2 , may acquire and hold securities issued by a profit company or directly or indirectly, alone or in conjunction with any other person, carry on any business, trade or undertaking consistent with or ancillary to its Object;			
	2.2.4 may not distribute directly or indirectly pay any portion of its income or transfer any of its assets to any person who is or was an incorporator of the Association, a Member or Director or a person appointing a Director, except:			
	2.2.4.1 as reasonable remuneration for goods delivered or services rendered to, or at the direction of the Association or as reasonable payment of, or reimbursement for, expenses incurred to advance its Object;			

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2.2.4.2	as a payment of an amount due and payable by the Association in terms of a bona fide agreement between the Association and that person or another;			
2.2.4.3	as a payment in respect of any rights of that person, to the extent that such rights are administered by the Association, in order to advance its Object; or			
2.2.4.4	in respect of any legal obligation binding on the Association.			
2.3	This MOI is in a form unique to the Association, as contemplated in section 13(1)(a)(ii) of the Act.	-	-	To record for purposes of section 13(1)(a)(ii) of the Act that the MOI is not in a prescribed form (i.e. using the forms issued by the Commission).
2.4	The Association is incorporated in accordance with, and governed by:			To record the documents which govern the Association.
2.4.1	the Unalterable Provisions that are applicable to non-profit companies;			
2.4.2	the Alterable Provisions that are applicable to non-profit companies, subject to any limitation, extension, variation or substitution set out in this MOI;			
2.4.3	the provisions of this MOI; and			
2.4.4	its Estate Rules and any other rules made by the Board in terms of clause 24.1 , if any.			
3	Amendment and Alteration to this MOI			
3.1	This MOI may only be amended:	6.3	The provisions of this memorandum of association may be amended in accordance with the Companies Act, 61 of 1973, provided that any such amendment shall either be approved, insofar as may be necessary, by the Commissioner for Inland Revenue or be in such terms as shall not result in the company losing the benefits of any rulings which may have been given in its favour by the Commissioner and, in any event, such amendments shall be submitted to the Commissioner for his information.	To: <ul style="list-style-type: none"> align the provisions regarding the amendment of the MOI with the specific provisions in the Act; and remove the now redundant requirement that the amendment of the memorandum of association be approved by the Commissioner for Inland Revenue.
3.1.1	in compliance with a court order, which amendment shall be effected by a resolution of the Board and does not require a special resolution as contemplated in clause 3.1.3 below;			
3.1.2	in the manner contemplated in sections 36(3), 36(4) and 152(6)(b) of the Act;			
3.1.3	at any other time if a special resolution to amend this			

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	MOI:			
3.1.3.1	is proposed by the Board or Members entitled to exercise at least 10% (ten percent) of the voting rights that may be exercised on such a resolution; and			
3.1.3.2	is adopted at a Members meeting, or in accordance with clause 12.1 .			
3.2	The Board, or any individual authorised by the Board, may alter this MOI in a manner necessary to correct a patent error in spelling, punctuation, reference, grammar or similar defect on the face of the document by:	-	-	The Act authorises the Board to alter any provision of this MOI to correct a patent error in the document. However, any amendment which alters the substance of the provision would have to be approved in accordance with clause 3.1.
	3.2.1 publishing a notice of any alteration by delivering a copy of such alteration to each Member by hand or e-mail; and			
	3.2.2 filing a notice of the alteration with the Commission.			
4	Application of Optional Provisions of the Act			
	The Association, being a non-profit company, elects, in terms of section 34(2) of the Act, to voluntarily appoint an auditor, which satisfies the requirements in clause 18.1 , each year at its annual Members meeting and to submit to the extended accountability requirements set out in Chapter 3 of the Act, to the extent set out in clause 18 .	-	-	The Association is no longer required in terms of the Act to appoint an auditor. However, the requirement to do so has been carried through into the new document.
5	Object and Powers of the Association			
5.1	The sole object of the Association is to manage the collective interests common to all of the Members, which includes expenditures applicable to the Common Property and the collection of levies for which the Members are liable.	3	The sole object of the Company is to manage the collective interests common to all its Members, which includes expenditure applicable to the common property of such members and the collection of levies for which members are liable.	To amend clause 3 of the Memorandum of Association to incorporate the references to the defined terms in the MOI.
5.2	The Association has all of the legal powers and capacity of an individual, except to the extent that a juristic person is incapable of exercising any such power or having any such	-	-	To align the document with the Act.

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	capacity. No provision contained in this MOI shall be interpreted or construed as restricting, limiting or qualifying the legal powers and capacity of the Association.			
5.3	Save to the extent necessarily implied by its Object, the purposes and the powers of the Association are not subject to any restriction, limitation or qualification, as contemplated in section 19(1)(b)(ii) of the Act.	-	-	The purposes and powers of the Association are only limited to the extent implied by its Object.
6	Membership			
6.1	Membership of the Association shall be restricted to the registered owners of the Residential Portions and no other person shall be eligible or entitled to be a Member.	4.1	The following persons shall be members of the company: 4.1.1 during the initial period, nominees of the developer who may or may not be registered owners of the property or any portions; and 4.1.2 any person who is the registered owner of a residential portion but excluding the developer.	To remove the reference to the developer.
		4.3	No person other than a person referred to in Article 4.1 shall be eligible to be a member of the company.	
6.2	Where two or more persons are registered as the owners of the same Residential Portion, such persons shall collectively be deemed to be one Member.	4.4	Where two or more persons are registered as the owners of the same residential portion the registered owners of that residential portion shall be deemed to be one member of the company.	To amend clause 4.4 of the Memorandum of Association to incorporate the references to the defined terms in the MOI.
6.3	A registered owner of a Residential Portion shall, upon ceasing to be the registered owner thereof, <i>ipso facto</i> cease to be a Member. A Member shall not, for as long as he is the registered owner of a Residential Portion, be entitled to resign as a Member.	4.5	When a member ceases to be the registered owner of a residential portion he shall ipso facto cease to be a member of the company.	To amend clauses 4.5 and 4.6 to simplify these clauses and incorporate the references to the defined terms in the MOI.
		4.6	Save for the circumstances set out in 4.5 a member may not resign as a member of the company.	
7	Membership Register			
7.1	The Association shall maintain a register of all of the Members in the form prescribed by the Act and the prescribed standards.	4.8	The company shall keep a register of members at the place and in the manner specified in the Companies Act.	To amend clause 4.8 to incorporate the references to the defined terms in the MOI.

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7.2	The membership register maintained in accordance with the Act shall, in the absence of evidence to the contrary, be sufficient proof of the facts recorded therein.	-	-	To align the document with the Act.
8	Members' Right to Information			
	Each Member has a right to inspect and copy without any charge for any such inspection or on payment of no more than the prescribed maximum charge for any such copy, the information contained in the following records of the Association:			To align the document with the Act.
8.1	this MOI, any amendments thereto, the Estate Rules and any other rules made in respect of the Association;			
8.2	the records in respect of the Directors contemplated in section 24(3)(b) of the Act;			
8.3	the reports to annual Members meetings, and annual financial statements of the Association;			
8.4	the notices and minutes of all Members meetings, including all resolutions adopted by them and any document made available by the Association to Members in relation to each such resolution;			
8.5	copies of any written communications sent generally by the Association to Members; and			
8.6	the membership register.			
9	Members Meetings			
9.1	<u>Requirement to Hold Meetings</u>			
9.1.1	The Board may call a Members meeting at any time.	10.2	The directors may, whenever they think fit, convene a general meeting, and a general meeting shall also be convened on a requisition by members representing not less than one-twentieth of the total voting rights of all the members of the company having at the date of the lodgement of the requisition a right to vote at general meetings of the company or, in default, may be convened	To amend Article 10.2 to incorporate the references to the defined terms in the MOI.

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9.1.2	Subject to clause 12 , the Association shall hold a Members meeting:	10.1	by the requisitionists as provided by and subject to the provisions of the Statutes.	
9.1.2.1	at least once a year, provided that not more than 15 (fifteen) months shall elapse between the date of the previous annual Members meeting and that of the next, and that an annual Member's meeting shall be held within 9 (nine) months of the expiration of the Association's financial year;	10.1	The company, shall at such times as are prescribed in the Statutes, hold general meetings of members to be known and described in the notices calling such meetings, as annual general meetings.	To align with the document with the Act.
9.1.2.2	at any time that the Board is required by the Act or this MOI to refer a matter to Members for decision;	10.2	The directors may, whenever they think fit, convene a general meeting, and a general meeting shall also be convened on a requisition by members representing not less than one-twentieth of the total voting rights of all the members of the company having at the date of the lodgement of the requisition a right to vote at general meetings of the company or, in default, may be convened by the requisitionists as provided by and subject to the provisions of the Statutes. If at any time there shall be within the Republic sufficient members capable of acting to form a quorum, any director and any two members of the company may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.	
9.1.2.3	whenever required in terms of section 70(3) of the Act to fill a vacancy on the Board; and			
9.1.2.4	when otherwise required in terms of clause 9.2 .			
9.2	<u>Members' Right to Requisition a Meeting</u>			
	The Board shall call a Members meeting if 1 (one) or more written and signed demands for such a meeting are delivered to the Association and:	10.1	The directors may, whenever they think fit, convene a general meeting, and a general meeting shall also be convened on a requisition by members representing not less than one-twentieth of the total voting rights of all the members of the company having at the date of the lodgement of the requisition a right to vote at general meetings of the company or, in default, may be convened by the requisitionists as provided by and subject to the provisions of the Statutes.	To align with the document with the Act.
9.2.1	each such demand describes the specific purpose for which the meeting is proposed; and			
9.2.2	in aggregate, demands for substantially the same purpose are made and signed by the holders, as at the earliest time specified in any of those demands, of at least 20% (twenty percent) of the voting rights entitled to be exercised in relation to the matter proposed to be considered at the meeting.			
9.3	<u>Location of Members Meetings</u>			

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	The Board may determine the location for any Members meeting, provided that a Member's meeting may only be held in Hoedspruit.	10.3	Every meeting of members shall, unless otherwise resolved by the directors, be held in the city or town in which the company's registered office is for the time being situated.	To align the document with the Act and to simply the provision.
9.4	<u>Notice of Members Meetings</u>			
9.4.1	The Association shall deliver a notice of each Members meeting to all of the Members as of the record date of the meeting, in written and/or electronic form, at least 10 (ten) Business Days before the meeting is to begin.	10.4	Subject to the provisions of the Statutes relating to meetings of which special notice is required to be given, an annual general meeting and a meeting calling for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the company other than an annual general meeting or a meeting for the passing of a special resolution, shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the date of the meeting for which it is given and shall specify the place, the day and the hour of meeting and, in the case of special business, the general nature of the business, and shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the company at a meeting of members, to such persons as are under these Articles entitled to receive such notices from the company; provided that a meeting of the company shall, notwithstanding that is called by shorter notice than that specified in this Article, shall be deemed to have been duly called if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting.	To align the document with the Act and to shorten the notice period for a Members meeting. The Act has done away with the concept of different notice periods for an annual general meeting and a special resolution versus any other Members meeting.
9.4.2	The notice contemplated in clause 9.4.1 shall include the following information:			To align the document with the requirements in the Act for a notice of a Members meeting.
9.4.2.1	the date, time, place and record date of the Members meeting;			
9.4.2.2	the general purpose of the meeting, and any specific purpose contemplated in clause 9.2.1 ;			
9.4.2.3	a copy of any proposed resolution of which the Association has received notice, and which is to be considered at the meeting, and a notice of the percentage of voting rights that will be required for that resolution to be adopted;			
9.4.2.4	in the case of an annual Members meeting, the financial statements to be presented or a summarised form thereof and directions for obtaining a copy of the complete annual financial statements for the preceding financial year; and			
9.4.2.5	a reasonably prominent statement that:			
9.4.2.5.1	a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate in and vote at the meeting in the place of the Member;			
9.4.2.5.2	a proxy need not also be a Member; and			
9.4.2.5.3	section 63(1) of the Act requires participants to			

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	provide satisfactory identification to verify their right to participate at the Members meeting.			
9.4.3	The Association may call a Members meeting on shorter notice than required in terms of clause 9.4.1 provided that such a meeting may only proceed if every person who is entitled to exercise voting rights in respect of any item on the agenda is present at that meeting and votes to waive the required minimum notice of the meeting.	10.4	Provided that a meeting of the company shall, notwithstanding that is called by shorter notice than that specified in this Article, shall be deemed to have been duly called if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting.	To align the document with the Act.
9.4.4	An immaterial defect in the form or manner of giving notice of a Members meeting, or an accidental or inadvertent failure in the delivery of the notice to any particular Member to whom it was addressed, shall not invalidate any action taken at the meeting.	10.4	The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings of that meeting.	To align the document with the Act.
9.5	<u>Electronic Participation</u>			
	A Members meeting may not be conducted entirely by Electronic Communication, nor may any Member participate in a meeting by Electronic Communication.	-	-	In terms of the Act, Members meetings may be conducted by Electronic Communication. In view of the number of Members it would not be cost efficient or practical to conduct Members meetings by Electronic Communication.
9.6	<u>Quorum for Members Meetings</u>			
	The quorum requirements for a Members meeting to begin or for a matter to be considered are as follows:	11.3	Save as herein otherwise provided, the quorum at a meeting of members shall be:	To align the document with the quorum requirements imposed by the Act.
9.6.1	a Members meeting shall not begin until sufficient persons are present at the meeting, in person or by proxy, to exercise, in aggregate, at least 25% (twenty five percent) of all of the voting rights that are entitled to be exercised in respect of at least 1 (one) matter to be decided at that meeting; and	11.3.1	during the initial period, three members, of whom one member shall be a nominee of the Developer, personally present and entitled to vote;	
9.6.2	a matter to be decided at the Members meeting may not begin to be considered unless sufficient persons are present at that meeting, in person or by proxy, to exercise, in aggregate, at least 25% (twenty five percent) of all of the voting rights that are entitled to be exercised on that matter at the time the matter is called	11.3.2	after the initial period, three members personally present and entitled to vote.	

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	on the agenda, provided that, even if the requirements in clause 9.6.1 or 9.6.2 are satisfied, a Members meeting shall only begin, or a matter shall only begin to be debated, if at least 3 (three) Members are present at the meeting.			
9.7	<u>Chairperson</u>			
9.7.1	The chairperson of the Board, if any, shall preside as chairperson at every Members meeting.	11.5	The chairman if any, of the board of directors, shall preside as chairman at every meeting of members of the company.	To amend Article 11.5 to incorporate the references to the defined terms in the MOI.
9.7.2	If there is no chairperson, or if at any Members meeting he is not present within 15 (fifteen) minutes after the time appointed for the holding of the meeting or is unwilling to act as the chairperson, the Members present in person or by proxy shall choose one of their number to be chairperson.	11.5	If there is no such chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the members present shall choose some director or, if not director be present, or, if all the directors present decline to take the chair, they shall choose some member present to be chairman of the meeting.	To amend Article 11.5 to incorporate the references to the defined terms in the MOI and to align the document with the Act.
9.7.3	In the case of an equality of votes in a Members meeting, the chairperson of the meeting shall not be entitled to a second or casting vote.	11.9	In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall not be entitled to a second or casting vote.	To amend Article 11.5 to incorporate the references to the defined terms in the MOI.
9.8	<u>Postponement and Adjournment of Members Meetings</u>			
9.8.1	If, within 30 (thirty) minutes of the appointed time for a Members meeting to begin, the quorum requirement stipulated in clause 9.6.1 , or 9.6.2 if applicable:	11.4	If within thirty minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or, if that day be a public holiday, and if at such adjourned meeting a quorum is not present within thirty minutes from the time appointed for the meeting then, subject to the Statutes, the members or member present shall be a quorum.	To align the document with the Act.
9.8.1.1	for that meeting to begin has not been satisfied, the meeting shall be postponed without motion, vote or further notice, for 1 (one) week, to be held at the same time;			
9.8.1.2	for consideration of a particular matter to begin has not been satisfied:			
9.8.1.2.1	if there is other business on the agenda of the meeting, consideration of that matter may be			

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	<p>postponed to a later time in the meeting without motion or vote; or</p> <p>9.8.1.2.2 if there is no business on the agenda of the meeting, the meeting shall be adjourned for 1 (one) week without motion or vote., to be held at the same time.</p>			
9.8.2	<p>The person intended to preside at a Members meeting, which cannot begin due to the quorum requirement stipulated in clause 9.6.1, or 9.6.2 if applicable, not being satisfied, shall be entitled to extend the 30 (thirty) minute limit allowed in clause 9.8.1 for a reasonable period if:</p> <p>9.8.2.1 exceptional circumstances affecting weather or transportation have generally impeded or are generally impeding the ability of Members to be present at the meeting; or</p> <p>9.8.2.2 1 (one) or more particular Members, having been delayed, have communicated an intention to attend the meeting, and those Members, together with the Members in attendance, would satisfy the quorum requirements stipulated in clause 9.6.</p>	-	-	To align the document with the Act.
9.8.3	<p>After a quorum has been established for a Members meeting, or for a matter to be considered at a Members meeting, the meeting may continue or the matter may be considered, so long as at least sufficient persons are present at the meeting, in person or by proxy, to exercise, in aggregate, at least 25% (twenty five percent) of all of the voting rights entitled to be exercised at the meeting or on that matter.</p>	-	-	To align the document with the Act.
9.8.4	<p>The Association shall not be required to give further notice of a Members meeting that is postponed or adjourned in terms of clause 9.8.1, unless the location for the meeting is different from the location of the postponed or adjourned meeting, or from the location announced at the time of adjournment in the case of an adjourned meeting.</p>	11.6	<p>When a meeting is adjourned as a result of a direction given in terms of any applicable provision in the Statutes, notice of the adjourned meeting shall be given in the manner prescribed by such provision but, save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	To align the document with the Act.
9.8.5	<p>If, at the time appointed in terms of clause 9.8.1 for a</p>	-	-	To align the document with the Act.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	postponed Members meeting to begin, or for an adjourned meeting to resume, the quorum requirement stipulated in clause 9.6.1 , or 9.6.2 if applicable, has not been satisfied, the Members present, in person or by proxy, will be deemed to constitute a quorum.			
9.8.6	A Members meeting may not be adjourned beyond 15 (fifteen) Business Days after the date on which the adjournment occurred.	-	-	To align the document with the Act.
10	Votes of Members			
10.1	At any Members meeting, each Member present in person or by proxy shall be entitled to exercise one vote in respect of each Residential Portion which it is the registered owner.	12.1	At any meeting of the company: 12.1.1 each member of the company, including the nominee of the developer, present in person or by proxy or, if a member is a body corporate, duly represented at any meeting of the company shall have one vote; 12.1.2 the developer shall, during the initial period have an equal number of votes as there are the number of other members in the company in addition to the vote conferred upon it in terms of Article 12.1.1.	To amend Article 12.1 to incorporate the references to the defined terms in the MOI and to remove the reference to the developer and the initial period.
10.2	For an ordinary resolution to be adopted at a Members meeting, it must be supported by more than 50% (fifty percent) of the voting rights exercised on the resolution.	-	-	To align the document with the Act.
10.3	For a special resolution to be adopted at a Members meeting, it must be supported by at least 75% (seventy five percent) of the voting rights exercised on the resolution.	-	-	To align the document with the Act.
11	Proxies			
11.1	<u>Proxy Appointment</u>			
11.1.1	A Member may, at any time, appoint any individual, including an individual who is not a Member, as a proxy to:	12.2	A proxy need not be a member of the company.	To: • align the document with the Act; and

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
11.1.1.1	participate in, and speak and vote at, a Members meeting on behalf of the Member;			<ul style="list-style-type: none"> amend Article 12.2 to incorporate the references to the defined terms in the MOI.
11.1.1.2	give or withhold written consent on behalf of the Member to a decision contemplated in clause 12 .			
11.1.2	A proxy appointment is required to be in writing, dated and signed by the Member and remains valid for 1 (one) year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless:	12.3	The form appointing a proxy shall be in writing under the hand of the appointee or of his agent duly authorised in writing or, if the appointee is a corporate body, under the hand of an officer or agent authorised by that body.	To align the document with the Act.
11.1.2.1	the appointment is revoked by the Member cancelling it in writing or making a later inconsistent appointment and delivering a copy of the revocation instrument to the proxy and to the Association; or	12.4	No form appointing a proxy shall not be valid after the expiration of six months from the date when it was signed, except at an adjourned meeting unless otherwise specifically stated in the proxy itself.	
11.1.2.2	the Association issues an invitation to Members to appoint 1 (one) or more persons named by the Association as a proxy or supplies a form of instrument for appointing a proxy, in which case the proxy appointment shall expire at the end of the meeting it was intended to be used, subject to section 58(5) of the Act.			
11.2	<u>Requirement to Deliver Proxy Instrument</u>			
	A copy of the instrument appointing a proxy must be delivered to the Association, or to any other person on behalf of the Association, before the proxy exercises any rights of the Member at a Members meeting.	12.4	The form appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority shall be deposited at the registered office of the company not more than twenty-four hours (or such lesser period as the directors may unanimously determine in relation to any particular meeting) before the time for holding the meeting (including an adjourned meeting) at which the person named in the form proposes to vote, and in default the form of proxy shall not be treated as valid.	The Act merely requires a copy of the proxy instrument to be delivered to the Association before the proxy votes and not more than 24 hour prior to a Members meeting. Article 12.4 has been aligned with the Act as it is often not practical for a Member to deliver an original proxy form 24 hours before the meeting.
11.3	<u>Representation by Concurrent Proxies</u>			

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	A Member may not appoint 2 (two) or more persons concurrently as proxies.	-	-	In terms of the Act, a Member may appoint 2 or more persons concurrently as proxies. The MOI limits the foregoing as, in view of the number of Members, it would be difficult to ascertain who is acting on behalf of whom and may give rise to 2 persons appointed as proxy contradicting each other's vote.
11.4	<u>Authority of Proxy to Delegate</u>			
	A proxy may not delegate his authority to act on behalf of a Member to another person.	-	-	The Act permits a proxy to delegate his authority to act on behalf of a Member to another person, subject to any restriction set out in the instrument appointing the proxy. The MOI limits the foregoing as, given the number of Members, it would be difficult to verify that such authority has been delegated.
11.5	<u>Deliberative Authority of Proxy</u>			
	A proxy shall be entitled to exercise or abstain from exercising any voting right of the Member without written directions from that Member, except to the extent that the instrument appointing the proxy provides otherwise.	-	-	To align the document with the Act. A proxy will only be able to exercise or abstain from exercising any voting right as he deems fit if the proxy form does not specifically record how the Member's vote should be cast.
12	Members Acting other than at a Meeting			
12.1	A resolution that could be voted on at a Members meeting may instead be:			To enable matters to be dealt with expeditiously without the need for a Members meeting.
	12.1.1 submitted for consideration to Members entitled to exercise voting rights in relation to the resolution; and			
	12.1.2 voted on in writing by Members entitled to exercise voting rights in relation to the resolution within 20 (twenty) Business Days after the resolution was submitted to them.			
12.2	A resolution contemplated in clause 12.1 :			To align the document with the provisions of the Act

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	12.2.1 shall be adopted if it is supported by persons entitled to exercise sufficient voting rights for it to have been adopted as an ordinary or special resolution, as the case may be, at a properly constituted Members meeting; and 12.2.2 if adopted, shall have the same effect as if it had been approved by voting at a Members meeting.			pertaining to round robin resolutions.
13	Record Date for Exercise of Members' Rights			
	If, at any time, the Board fails to determine a record date, the record date for the relevant matter is: 13.1 in the case of a Members meeting, the latest date by which the Association is required to give Members notice of that meeting; or 13.2 the date of the action or event, in any other case.	-	-	To align the document with the Act. The purpose of a record date is to determine who is entitled to receive notice of a Members meeting (i.e. who is a Member as at the date on which notice of the meeting is required to be given) and who is eligible to vote at the Members meeting (i.e. who is a Member on the date of the Members meeting).
14	Directors and Officers			
14.1	<u>Composition of the Board</u>			
14.1.1	The Board shall be comprised of at least 3 (three) Directors, to be elected by the Members entitled to exercise voting rights in accordance with clause 14.3 .	13.1	Until otherwise determined by a meeting of members, the number of directors shall not be less than one nor more than three.	To increase the minimum number of Directors and remove the maximum number.
14.1.2	A Director shall be a Member or a spouse, child or tenant of a Member, provided that if the minimum number of Directors as per clause 14.1.1 cannot be satisfied from the aforesaid category of persons, the Members shall be entitled to elect only such number of persons who are not Members or spouses, children or tenants of Members as a Director as may be necessary to bring the number of Directors up to the minimum number.	13.5	A director need not be a member of the company.	This Article was amended in accordance with the view expressed by a number of Members that only Members should be eligible to be elected as Directors. In order to avoid situations arising where there are less than 3 Members who are willing to be Directors, this has been expanded to include spouses, children or tenants of Members and non-members only where the minimum number cannot be satisfied.
14.2	<u>Rotation of Directors</u>			
14.2.1	At each annual Members meeting, one-third of the Directors	-	-	To align the document with the specific

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	for the time being, or if their number is not three or a multiple of three, the number nearest to one-third, shall retire from office.			requirements imposed by the Act with regards to the election of directors of non-profit companies.
14.2.2	A retiring Director shall be eligible for re-election.	-	-	To align the document with the specific requirements imposed by the Act with regards to the election of directors of non-profit companies.
14.2.3	The Members may, at any annual general meeting at which a Director retires pursuant to clause 14.2.1 , fill the vacancy office by re-electing that Director or electing another person thereto in accordance with clause 14.3 .	13.6	After the initial period, unless otherwise decided by a meeting of members upon any casual vacancy occurring the board of directors may be filled by the directors.	To align the document with the specific requirements imposed by the Act with regards to the election of directors of non-profit companies.
		13.7	After the initial period, the company at a meeting of members or the directors shall have power at any time, and from time to time, to appoint any person as a director but the total number of directors shall not at any time exceed the maximum number fixed by or in terms of these Articles.	
14.3	<u>The Election of Directors</u>			
	The election of Directors shall be conducted as follows:	-	-	To align the document with the Act regarding the election of directors.
14.3.1	the election is to be conducted by a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, with the series of votes continuing until all vacancies on the Board at that time have been filled; and			
14.3.2	in each vote to fill a vacancy, each voting right entitled to be exercised may be exercised once and the vacancy is filled only if a majority of the voting rights exercised support the candidate.			
14.4	<u>Alternate Directors</u>			
14.4.1	Each Director shall be entitled by written notice to the Association to appoint one or more persons to act as an Alternate Director in his place during his absence or inability to act as a Director.	15.1	Any director shall have the power to nominate any person to act as alternate director in his place during his absence or inability to act as such director, and on such appointment being made, the alternate director shall, in all respects, be subject to the terms and conditions existing	To: <ul style="list-style-type: none"> align the document with the Act; and amend Article 15.1 to incorporate the references to the defined terms in the MOI.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
			with reference to the other directors of the company.	
14.4.2	The Alternate Directors, whilst acting in the place of the Directors who appointed them, shall exercise all the duties and functions of the Directors they represent. The appointment of an Alternate Director shall cease on the happening of any event which, if he were a Director, would result in him ceasing to hold office in terms of the Act or this MOI, if the Director who appointed him ceases to be a Director or gives notice to the Association that the Alternate Director representing him shall cease to do so.	15.2	The alternate directors, whilst acting in the place of the directors who appointed them, shall exercise and discharge all the duties and functions of the directors they represent. The appointment of an alternate director shall cease on the happening of any event which, if he were a director, would cause him to cease to hold office in terms of these Articles or if the director who appointed him ceases to be a director, or gives notice to the secretary of the company that the alternate director representing him shall cease to do so.	To amend Article 15.2 to incorporate the references to the defined terms in the MOI.
14.5	<u>Vacancy on the Board</u> The Board may appoint a person who satisfies the requirements for election as a Director to fill any vacancy and serve as a Director on a temporary basis until the vacancy has been filled by election in terms of clause 14.2 , and during that period any person so appointed shall have all of the powers functions and duties, and is subject to all of the liabilities, of any other Director.	13.6	After the initial period, unless otherwise decided by a meeting of members upon any casual vacancy occurring the board of directors may be filled by the directors.	The ability of Directors to fill any vacancies on the Board has been limited to the appointment of persons to the Board on a temporary basis. Such appointment will have to be confirmed by Shareholders by way of an election.
14.6	<u>Ineligibility and Disqualification of Directors</u>			
14.6.1	A person who is ineligible or disqualified in terms of this clause 14.6 shall not be appointed or elected as a Director, consent to being appointed or elected as a Director or act as a Director.	-	-	To align the document with the Act regarding the disqualification of directors.
14.6.2	The Association shall not knowingly permit an ineligible or disqualified person to serve or act as a Director.	-	-	To align the document with the Act regarding the disqualification of directors.
14.6.3	A Director who becomes ineligible or disqualified in terms of this clause 14.6 whilst serving as a Director shall, subject to section 70(2) of the Act, cease to be entitled to continue to act as a Director with immediate effect.	-	-	To align the document with the Act regarding the disqualification of directors.
14.6.4	A person who has been placed under probation by a court in terms of section 162 of the Act or section 47 of the CC Act, shall not serve as a Director except to the extent permitted by	-	-	To align the document with the Act regarding the disqualification of directors.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	the order of probation.			
14.6.5	A person is ineligible to be a Director if the person is a juristic person, is an unemancipated minor or is under a similar legal disability.	-	-	To align the document with the Act regarding the disqualification of directors.
14.6.6	A person shall be disqualified to be a Director if:	17.1	A director shall cease to hold office as such if:	To align the document with the Act regarding the disqualification of directors.
	14.6.6.1 a court has prohibited that person to be a Director, or declared the person to be delinquent in terms of section 162 of the Act or section 47 of the CC Act;	17.1.1	he ceases to be a director by virtue of any of the provisions of the Statutes or becomes prohibited from being a director by reason of any order made under the Statutes; or	
	14.6.6.2 subject to clause 14.6.7 and section 69(10) and (11) of the Act, that person:	17.1.2	his estate is sequestrated or he files a petition for the surrender of his estate or an application for an administration order, or if he commits an act of insolvency as defined in the insolvency law for the time being in force, or he makes any arrangement or composition with his creditors generally; or	
	14.6.6.2.1 is an unrehabilitated insolvent;	17.1.3	he is found lunatic or becomes of unsound mind; or	
	14.6.6.2.2 is prohibited in terms of any public regulation to be a Director;	17.1.4	he is removed by a resolution of the company as provided for in the Statutes; or	
	14.6.6.2.3 has been removed from an office of trust, on the grounds of misconduct involving dishonesty; or	17.1.5	he resigns his office by notice in writing to the company; or	
	14.6.6.2.4 has been convicted, in South Africa or elsewhere, and imprisoned without the option of a fine, or fined more than the prescribed amount, for theft, fraud, forgery, perjury or an offence:	17.1.6	a notice removing him from office is signed by members having a right to attend and vote at a meeting of members who hold more than 75 per cent of the total voting rights of all of the total voting rights of all the members who are at that time entitled so to attend and vote and is delivered to the company or lodged at its registered office; or	
	14.6.6.2.4.1 involving fraud, misrepresentation or dishonesty;	17.1.7	he is otherwise removed in accordance with any provisions of these Articles.	
	14.6.6.2.4.2 in connection with the promotion, formation or management of a company, or in connection with any act contemplated in clause 14.6.1 or 14.6.4 ; or			
	14.6.6.2.4.3 under the Act, the Insolvency Act, 24 of 1936, the CC Act, the Financial Intelligence Centre Act, 38 of 2001, the Securities Services Act, 36 of 2004, or Chapter 2 of the Prevention and Combating of Corrupt Activities Act, 12 of 2004.			
14.6.7	A disqualification in terms of clause 14.6.6.2.3 or 14.6.6.2.4 ends at the later of:	-	-	To align the document with the Act regarding the disqualification of directors.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
14.6.7.1	5 (five) years after the date of removal from office or the completion of the sentence imposed for the relevant offence, as the case may be; or			
14.6.7.2	at the end of one or more extensions, as determined by a court from time to time, on application by the Commission in terms of section 69(10) of the Act.			
14.6.8	This clause 14.6 shall also apply to a prescribed officer of the Association or a person who is a member of a committee of the Board.	-	-	To align the document with the Act regarding the disqualification of directors.
14.7	<u>Authority of the Board</u>			
14.7.1	The business and affairs of the Association shall be managed by or under the direction of the Board, which has the authority to exercise all of the powers and perform any of the functions of the Association, subject to the provisions of the Act and this MOI.	16.1	The business of the company shall be managed by the directors who may exercise all such powers of the company as are not by the Statutes or by these Articles required to be exercised by the company at any meeting of members, subject nevertheless to the provisions of these Articles and of the Statutes and to such regulations being not inconsistent with these Articles or the Statutes, as may be prescribed by the company at any such meeting.	To: <ul style="list-style-type: none"> align the document with the Act; and amend Article 16.1 to incorporate the references to the defined terms in the MOI.
14.7.2	All acts by the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of any Director, or that any of them were disqualified from or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director.	16.1	No regulation made by the company at such meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.	To: <ul style="list-style-type: none"> align the document with the Act; and amend Article 16.1 to incorporate the references to the defined terms in the MOI.
14.7.3	The Board shall not be entitled to incur, on behalf of the Association, any capital expenditure exceeding R100,000.00 (one hundred thousand Rand) not included in the estimate prepared in terms of clause 25.2 unless such expenditure has been approved in terms of an ordinary resolution of Members.	16.6	The directors shall not be entitled to undertake on behalf of the company any works of a capital nature, without the sanction of a resolution of the company in general meeting.	To replace the outright prohibition on capital expenditure with a limit on the expenditure that the Board can incur without Members' approval. This is to prevent the Board from having to hold a Members meeting or submit a resolution to Members each time the Association has to incur such expenditure in instances where the expenditure is relatively minimal.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
14.7.4	The amount stipulated in clause 14.7.3 shall escalate at 5% (five percent) on 1 March of every second year. The first escalation shall take effect on 1 March 2017.	-	-	To provide for the escalation of the amount in clause 14.7.3.
14.8	<u>Director's Remuneration</u>			
14.8.1	Save for travelling, hotel and other expenses properly incurred by Directors in or about the performance of their duties as such, including those of attending and travelling to and from meetings of the Board, Members or any committee of the Board, the Directors shall not be entitled to any remuneration for their service as Directors.	14.1	Save for travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as directors including those of attending and travelling to and from meetings of the directors or any committee of the directors or at any meeting of members of the company, the directors shall not be entitled to any remuneration.	To amend Article 14.1 to incorporate the references to the defined terms in the MOI.
14.8.2	The Board may pay to any Director who serves on any committee or who devotes special attention to the business of the Association or performs services which are outside the scope of his service as a director such remuneration or allowances as the Board may determine.	14.2	The directors may however pay any director who serves on any committee or who devotes special attention to the business of the company, or otherwise performs services which in the opinion of the directors are outside the scope of the ordinary duties of a director, such remuneration as they may determine.	To amend Article 14.2 to incorporate the references to the defined terms in the MOI.
15	Board Meetings			
15.1	<u>Requisition of Board Meetings</u>			
	Any Director may, at any time, call a meeting of the Directors.	18.1	A director may, and any other person appointed by the directors on the requisition of a director shall, at any time summon a meeting of the directors.	To: <ul style="list-style-type: none"> align the document with the Act; and amend Article 18.1 to incorporate the references to the defined terms in the MOI.
15.2	<u>Notice of Board Meetings</u>			
15.2.1	The Board may determine the form and time for giving notice of its meetings, but, subject to clause 15.2.2 , no meeting of the Board may be convened without notice to all of the Directors.	18.6	The directors may determine what period of notice shall be given of meetings of directors and may determine the means of giving such notice. It shall not be necessary to give notice of a meeting of directors to any director for the time being absent from the Republic, but notice of any such meeting shall be given to his alternative, if he has appointed one, provided that such alternate is in the	To: <ul style="list-style-type: none"> align the document with the Act; and amend Article 18.6 to incorporate the references to the defined terms in the MOI.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
			Republic.	
15.2.2	If all of the Directors acknowledge actual receipt of the notice or are present at the meeting or waive notice of the meeting, the meeting of the Board may proceed even if the Association failed to give the required notice of that meeting, or there was a defect in the giving of the notice.	-	-	To align the document with the Act.
15.3	<u>Electronic Participation</u>			
	A meeting of the Board may be conducted entirely by Electronic Communication or 1 (one) or more Directors may participate in a meeting by Electronic Communication, provided that 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.	-	-	In terms of the Act, Board meetings may be conducted by Electronic Communication. Due to the limited number of Directors it will be more efficient and allow the Board to meet more often if meetings can be conducted by Electronic Communication.
15.4	<u>Quorum for Board Meetings, Voting Rights and Requirements for Approval of a Resolution</u>			
15.4.1	At least 3 (three) Directors must be present at a Board meeting before a vote may be called at that meeting.	18.7	Until otherwise determined by the directors, a quorum shall consist of 3 directors.	To: <ul style="list-style-type: none"> align the document with the Act; and amend Article 18.7 to incorporate the references to the defined terms in the MOI.
15.4.2	Each Director has 1 (one) vote on a matter before the Board. A majority of the votes cast on a resolution is sufficient to approve that resolution.	-	-	To align the document with the Act.
15.5	<u>Chairperson</u>			
15.5.1	The Directors may elect a chairperson of their meetings and determine the period for which he is to hold office.	18.11	The directors may elect a chairman of their meetings and determine the period for which he is to hold office; but if no such chairman is elected, or at any meeting the chairman is not present within fifteen minutes after the time appointed for holding it, the directors present may choose one of their number to be chairman of the meeting.	To: <ul style="list-style-type: none"> align the document with the Act; and amend Article 18.11 to incorporate the references to the defined terms in the MOI.
15.5.2	If no chairperson is elected, or at any meeting of the Board the chairperson is not present within 15 (fifteen) minutes after the time appointed for holding it, the Directors may choose one of their number to be chairperson of the meeting.			

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
15.5.3	In the case of an equality of votes, the chairperson of the Board shall be entitled to a casting or deciding vote.	-	-	To prevent the Board from becoming deadlocked and unable to take a decision on matters.
16	Directors Acting Other Than at a Meeting			
	A decision that could be voted on at a meeting of the Board 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. A decision made in the manner contemplated in this clause 16 shall be of the same effect as if it had been approved by voting at a meeting of the Board.	18.9	Subject to the Statutes, a resolution in writing signed by the sole director or by all the directors for the time being present in the Republic and being not less than are sufficient to form a quorum shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted; provided that where a director is not present in the Republic, but has an alternate who is, the resolution must be signed by that alternate. The resolution may consist of several documents, each signed by one or more directors or their alternates in terms of this Article.	To align the document with the Act.
17	Committees of the Board			
	The Board may appoint any number of committees of the Board and delegate to any committee any of the authority of the Board. Except to the extent that a resolution establishing a committee of the Board provides otherwise, the committee: 17.1 may include persons who are not Directors, provided that any such person shall not be ineligible or disqualified to be a Director in terms of clause 14.6 and no such person has a vote on a matter to be decided by the committee; 17.2 may consult with or receive advice from any person; and 17.3 has the full authority of the Board in respect of a matter referred to it.	16.5	The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the directors. Save as aforesaid, the meetings and proceedings of a committee consisting of more than one member shall be governed by the provisions of these Articles regulating the meetings and proceedings of directors.	To: <ul style="list-style-type: none">align the document with the Act; andamend Article 16.5 to incorporate the references to the defined terms in the MOI.
18	Auditors			
18.1	<u>Appointment of Auditors</u>			
18.1.1	To be appointed as an auditor of the Association, a person or a firm is required to be a registered auditor, who is not: 18.1.1.1 a Director or prescribed officer of the Association;	-	-	To align the document with the provisions of the Act regarding the appointment of auditors.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	18.1.1.2 an employee or consultant of the Association who was or has been engaged for more than 1 (one) year in the maintenance of any of the Association's financial records or the preparation of any of its financial statements;			
	18.1.1.3 a director, officer or employee of a person appointed as company secretary of the Association;			
	18.1.1.4 a person who, alone or with a partner or employees, habitually or regularly performs the duties of accountant or bookkeeper, or performs related secretarial work, for the Association;			
	18.1.1.5 a person who, at any time during the 5 (five) financial years immediately preceding the date of appointment, was a person contemplated in clauses 18.1.1.1 to 18.1.1.4 ; or			
	18.1.1.6 a person related to a person contemplated in clauses 18.1.1.1 to 18.1.1.5 .			
18.1.2	If the Association appoints a firm as an auditor, the individual determined by that firm to be responsible for performing the functions of auditor is required to satisfy the requirements set out in clause 18.1 .	-	-	To align the document with the provisions of the Act regarding the appointment of auditors.
18.1.3	A retiring auditor may be automatically reappointed at the annual Members meeting without any resolution being passed, unless:	-	-	To align the document with the provisions of the Act regarding the appointment of auditors.
	18.1.3.1 the retiring auditor is no longer qualified for the appointment or is no longer willing to accept the appointment; or			
	18.1.3.2 the Association has notice of an intended resolution to appoint some other person or persons in place of the retiring auditor.			
18.1.4	If, at an annual Members meeting, an auditor is not appointed or reappointed, the Directors are required to, within 40 (forty) Business Days of the date of such meeting, fill the vacancy in accordance with the procedure set out in clause 18.2.2 .	-	-	To align the document with the provisions of the Act regarding the appointment of auditors.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
18.2	<u>Resignation of Auditors and Vacancies</u>			
18.2.1	An auditor of the Association may resign from office by giving the Association 1 (one) month written notice or less than 1 (one) month written notice, with the approval of the Board. The resignation of an auditor shall be effective when the notice is filed.	-		To align the document with the provisions of the Act regarding the appointment of auditors.
18.2.2	If a vacancy arises in the office of auditor of the Association, the Board: 18.2.2.1 if there was only 1 (one) incumbent auditor of the Association, shall appoint a new auditor within 40 (forty) Business Days; and 18.2.2.2 if there was more than 1 (one) incumbent, may appoint a new auditor at any time, but while any such vacancy continues, the surviving or continuing auditor may act as auditor of the Association.	-		To align the document with the provisions of the Act regarding the appointment of auditors.
18.2.3	In the event that the Association appoints a firm as its auditor, any change in the composition of the members of that firm does not by itself create a vacancy in the office of auditor for that year, subject to clause 18.2.4 .	-		To align the document with the provisions of the Act regarding the appointment of auditors.
18.2.4	If, by comparison with the membership of a firm at the time of its latest appointment, less than one half of the members remain after a change contemplated in clause 18.2.3 , that change constitutes the resignation of the firm as the auditor of the Association, giving rise to a vacancy.	-		To align the document with the provisions of the Act regarding the appointment of auditors.
18.2.5	If the auditor is removed from office by the Board, the auditor may require the Association to include a statement in its annual financial statements relating to that financial year, not exceeding a reasonable length, setting out the auditor's contention as to the circumstances that resulted in the removal. Should the auditor of the Association wish to exercise the power referred to in this clause 18.2.5 , the auditor shall give written notice to that effect to the Association by not later than the end of the financial year in which the removal took place and that notice shall include the statement referred to in	-		To align the document with the provisions of the Act regarding the appointment of auditors.

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No.	Clause	No.	Clause	
	this clause 18.2.5 .			
18.2.6	The statement of the auditor referred to in clause 18.2.5 shall be included in the Directors' report in the Association's annual financial statements.	-		To align the document with the provisions of the Act regarding the appointment of auditors.
18.3	<u>Rights and Restricted Functions of Auditors</u> The auditor of the Association shall: 18.3.1 have the right of access at all times to the accounting records and all books and documents of the Association, and shall be entitled to require from the Directors or prescribed officers of the Association any information and explanations necessary for the performance of the auditor's duties; and 18.3.2 be entitled to attend any Members meeting, receive all notices of and other communications relating to such meetings and be heard at such meetings on any part of the business of the meeting that concerns the auditor's duties or functions.			
19	Estate Manager			
19.1	The Board shall, from time to time, appoint a third party in terms of a written contract to control, manage and administer the business and affairs of the Association and to exercise such powers and duties as may be entrusted to that person, including the power to collect levies, fines and penalties imposed by the Board.	8.1	The directors shall from time to time, appoint in terms of a written contract a manager to control, manage and administer the company and the company's property and to exercise such powers and duties as may be entrusted to the manager, including the power to collect contributions levied.	To amend Article 19.1 to incorporate the references to the defined terms in the MOI.
19.2	The Board shall ensure that the contract of appointment of the Estate Manager includes a provision to the effect that, in the event that the Estate Manager is in breach of his contract of appointment or if he is guilty of conduct which at common law would justify the termination of a contract between a master and servant, the Board may cancel such contract of appointment and the Estate Manager shall have no claim against the Association or the Members as a result of such cancellation.	8.2	The directors shall ensure that there is included in the contract of appointment, which shall be in writing, of the manager a provision to the effect that if he 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 or contract of mandate, the directors may, without notice, cancel such contract of appointment and the manager shall have no claim whatsoever against the company or any of the	To amend Article 19.2 to incorporate the references to the defined terms in the MOI.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
			members as a result of such cancellation.	
19.3	The contract of appointment of the Estate Manager shall further provide for the termination of the Estate Manager's appointment and that the Estate Manager shall cease to hold office if: 19.3.1 where the Estate Manager is a company, an order is made for its provisional or final liquidation, or, where the Estate Manager is a natural person, he surrenders his estate as an insolvent or his estate is sequestered, whether provisionally or finally; 19.3.2 the Estate Manager is convicted of an offence involving fraud or dishonesty, or, where the Estate Manager is a company, any of its directors is convicted of an offence involving fraud or dishonesty; or 19.3.3 a special resolution of the Members is passed to that effect, provided that in such event the Estate Manager so removed from office shall not be deprived of any right he may have to claim compensation or damages for breach of contract.	8.3	The contract with the manager shall further provide for the appointment to be terminated and the manager shall cease to hold office if: 8.3.1 where the manager is a company, an order is made for its provisional or final liquidation, or, where the manager is a natural person, he surrenders his estate as insolvent or his estate is sequestered, whether provisionally or finally; or 8.3.2 the manager is convicted of an offence involving fraud or dishonesty, or, where the manager is a company, any of its directors is convicted of an offence involving fraud or dishonesty; or 8.3.3 a special resolution of the members of the company is passed to that effect, provided that in such event the manager so removed from office shall not be deprived of any right he may have to claim compensation or damages for breach of contract.	To amend Article 8.3 to incorporate the references to the defined terms in the MOI.
19.4	The Estate Manager shall keep full records of his administration and shall report to the Association on all matters which in his opinion detrimentally affect the value or amenity of the Estate.	8.4	The manager shall keep full records of his administration and shall report to the company on all matters which in his opinion detrimentally affect the value or amenity of the properties.	To amend Article 8.4 to incorporate the references to the defined terms in the MOI.
19.5	The Board shall give the Estate Manager reasonable notice of all meetings of the Board and the Estate Manager shall be entitled to be present thereat.	8.5	The directors shall give reasonable prior notice to the manager of all meetings of the directors and the manager shall be entitled to be present thereat.	To amend Article 8.5 to incorporate the references to the defined terms in the MOI.
19.6	Should an Estate Manager not be appointed in terms of this clause 18 , then all references to the Estate Manager in this MOI shall be deemed to be a reference to the Directors.	8.7	Should there be no manager in office at any time, then all references in these articles to the manager shall be deemed to be a reference to the directors.	To amend Article 8.7 to incorporate the references to the defined terms in the MOI.
20	Indemnity			
20.1	The Association: 20.1.1 may advance expenses to a Director, the Estate	22	Every director, manager and officer of the company and every person (whether an officer of the company or not) employed by the company as auditor shall be indemnified	To align the indemnity in Article 22 with the indemnity in terms of the Act.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	<p>Manager, any officer of the Association and every person employed by the Association as auditor to defend litigation in any proceedings arising out of their service to the Association; and</p> <p>20.1.2 hereby directly and indirectly indemnifies the Directors, the Estate Manager, any officer of the Association and every person employed by the Association as auditor for expenses contemplated in clause 20.1.1, irrespective of whether it has advanced those expenses, if the proceedings are abandoned or the proceedings exculpate such persons or arise in respect of any liability for which the Association indemnifies those persons, in terms of clause 20.2.</p>		<p>out of the funds of the company against all liability incurred by him as such director, manager, officer or auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under section 248 of the Companies Act or any amendment thereof in which relief is granted to him by the court.</p>	
20.2	<p>The Association hereby indemnifies each of the Directors, the Estate Manager, any officer of the Association and every person employed by the Association as auditor in respect of any liabilities <i>bona fide</i> incurred by them in their respective capacities in the proper discharge of any of their duties other than:</p> <p>20.2.1 in respect of any fine imposed on such persons as a consequence of having been convicted of an offence (unless the conviction was based on strict liability); or</p> <p>20.2.2 any other liability arising:</p> <p>20.2.2.1 as a direct or indirect consequence of any such person having:</p> <p>20.2.2.1.1 acted in the name of the Association, signed anything on behalf of the Association, purported to bind the Association or authorised the taking of any action by or on behalf of the Association, despite knowing that he lacked the authority to do so;</p> <p>20.2.2.1.2 acquiesced in the carrying on of the Association's business despite knowing that the business of the Association was being conducted in a manner prohibited by section 22(1) of the Act; or</p>	22	<p>Every director, manager and officer of the company and every person (whether an officer of the company or not) employed by the company as auditor shall be indemnified out of the funds of the company against all liability incurred by him as such director, manager, officer or auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted, or in connection with any application under section 248 of the Companies Act or any amendment thereof in which relief is granted to him by the court.</p>	To align the indemnity in Article 22 with the indemnity in terms of the Act.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
20.2.2.1.3	been a party to an act or omission by the Association despite knowing that the act or omission was calculated to defraud a creditor or employee of the Association, or a Member, or had another fraudulent purpose;			
20.2.2.2	from wilful misconduct or wilful breach of trust on the part of any such person.			
20.3	The Association may purchase insurance to protect:	-	-	To align the indemnity in Article 22 with the indemnity in terms of the Act.
20.3.1	a Director against any liability or expenses for which the Association is permitted to indemnify a Director in accordance with clause 20.2 ; or			
20.3.2	the Association against any contingency, including, but not limited to:			
20.3.2.1	any expenses that the Association is permitted to advance in accordance with clause 20.1.1 , or for which the Association is permitted to indemnify a Director in accordance with clause 20.1.2 ; or			
20.3.2.2	any liability for which the Association is permitted to indemnify a Director in accordance with clause 20.2 .			
20.4	Each Member absolves the Association and the Directors, the Estate Manager, its employees, officers, sub-committee members and agents (“the Indemnified Parties”) from all liability and indemnifies them from any claim by any person (including but not limited to a claim by a dependent) for damages or loss of whatever nature (including but not limited to consequential damages or special damages) flowing directly or indirectly from any injury (including fatal injury) suffered by that Member or damage to that Member’s property whilst on the Estate whatever the cause/causes are (including any negligent or grossly negligent act or omission by any of the Indemnified Parties), save only for the exclusion of intentional action on the part of the Indemnified Parties.	-	-	The indemnity in clauses 20.1 to 20.3 is given on behalf of the Association to its Directors, Estate Manager, officers and auditors in respect of liabilities incurred by them in the discharge of their duties to the Association. The indemnity in clause 20.4 is given on behalf of the Members in respect of harm suffered by a Member on the Estate.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
21.1	No Member shall alienate or dispose of a Residential Portion of which it is the registered owner, unless: 21.1.1 it is a condition of the sale agreement that: 21.1.1.1 the person to whom such Residential Portion is to be sold or otherwise to be alienated (“the transferee”) has bound himself to the satisfaction of the Association, as a contract for the benefit of the Association, to become a Member upon registration of the transfer of the Residential Portion to him; 21.1.1.2 in the event that the transferee is a juristic person, the director, member of trustee of the transferee, as the case may be, has bound himself as surety for all of the transferee’s obligations to the Association in terms of this MOI and the Estate Rules in the form set out in Schedule 1 hereto; and 21.1.1.3 the registration of transfer of such Residential Portion to the transferee shall <i>ipso facto</i> constitute the transferee as a Member; 21.1.2 the Association, under the hand of the Estate Manager or the Board, has certified in writing that the Member has fulfilled all of his financial obligations to the Association in respect of the period up to and including the date specified in such certificate and the transfer takes place prior to or on that date; and 21.1.3 the transferee has agreed in writing to become a Member and such written agreement has been lodged with the Association.	9.1	No member shall alienate or transfer a residential portion of which it is a registered owner unless: 9.1.1 it is a condition of the sale agreement that: 9.1.1.1 the person to whom such residential portion is to be sold or otherwise to be alienated (“the transferee”) has bound himself to the satisfaction of the company, as a contract for the benefit of the company, to become a member of the company upon transfer of such residential portion to him; 9.1.1.2 the registration of transfer of such residential portion to the transferee shall <i>ipso facto</i> constitute the transferee as a member of the company; 9.1.2 the company, under the hand of the manager or a director has certified in writing that the member has fulfilled all his financial obligations to the company in respect of the period up to and including the date specified in such notice; and 9.1.3 the transfer takes place prior to or on that specified date; 9.1.4 the proposed transferee has agreed in writing to become a member of the company and such written agreement has been lodged with the company.	To amend Article 9.1 to: <ul style="list-style-type: none"> incorporate the references to the defined terms in the MOI; and in the event that a purchaser is a juristic person, require the purchaser to sign the suretyship in Schedule 1. <p>The purpose of the suretyship is to assist the Board in recovering amounts owing to the Association by Members who are juristic entities, particularly those whose only asset is the Residential Portion which is bonded to the maximum.</p>
21.2	Notwithstanding the provisions of clause 21.1 , registration of transfer of a Residential Portion to any person shall <i>ipso facto</i> constitute that person as a Member.	-	-	To provide for a situation where a Residential Portion is transferred without an agreement by the purchaser to become a Member.
21.3	No Residential Portion may be marketed on the Estate, whether for sale or for rent, through the agency of any estate or other agent other than an agent approved in writing by the Association.	-	-	It is important that any restrictions on ownership be included in the MOI. This entrenches the restrictions, i.e. they cannot be amended without a special resolution. Accordingly, this provision has

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
				been incorporated from the Home Owner Rules.
21.4	No Residential Portions shall be sub-divided under any circumstances, or consolidated without the Board's prior written approval thereof.	-	-	It is important that any restrictions on ownership be included in the MOI. This entrenches the restrictions, i.e. they cannot be amended without a special resolution. Accordingly, this provision has been incorporated from the Home Owner Rules.
21.5	The Association shall be entitled to claim from any Member or his estate any arrear levies, interest, fines or penalties or any other amount due by him to the Association at the time of him ceasing to be a Member.	9.2	The company may claim from any member or his estate any arrears of levy or interest or other amount due by him to the company at the time of his ceasing to be a member.	To amend Article 9.2 to incorporate the references to the defined terms in the MOI.
21.6	No Member may improve any Residential Portion unless the plans for such improvement have been submitted to and approved by the Board in accordance with the Estate Rules.	9.3	No owner may improve any property without first having his plans approved by the company which has established design guidelines, all as set out in the rules of the company.	To amend Article 9.3 to incorporate the references to the defined terms in the MOI.
22	Restriction against Letting			
22.1	No Member shall let a Residential Portion of which it is the registered owner, unless it is a condition of the lease that the tenant acknowledges that upon occupation of the premises, he and his family, his employees and any guests or individuals shall abide by the provisions of this MOI, the Estate Rules and any other rules of whatever nature applicable to the control, management and running of the Estate.			It is important that any restrictions on ownership be included in the MOI. This entrenches the restrictions, i.e. they cannot be amended without a special resolution. Accordingly, this provision has been incorporated from the Home Owner Rules.
22.2	Prospective tenants may only view the Residential Portion concerned by appointment and if accompanied by a Member or an agent approved in terms of clause 21.3 .			It is important that any restrictions on ownership be included in the MOI. This entrenches the restrictions, i.e. they cannot be amended without a special resolution. Accordingly, this provision has been incorporated from the Home Owner Rules.
22.3	A Member shall, prior to a tenant taking occupation of a Residential Portion: 22.3.1 provide the tenant with a copy of this MOI the Estate Rules and any other rules of whatever nature applicable to the control, management and running of			It is important that any restrictions on ownership be included in the MOI. This entrenches the restrictions, i.e. they cannot be amended without a special resolution. Accordingly, this provision has been incorporated from the Home Owner Rules.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	the Estate;			
	22.3.2 furnish the Association with a copy of the tenant's identity or, in the case of a company, incorporation documents, a copy of the lease signed by both the Member and the tenant and a duly completed and a signed tenant information form.			
22.4	No Member shall let a Residential Portion of which it is the registered owner for a period of less than 30 (thirty) consecutive days unaccompanied by the Member concerned without the prior written approval of the Association.			It is important that any restrictions on ownership be included in the MOI. This entrenches the restrictions, i.e. they cannot be amended without a special resolution. Accordingly, this provision has been incorporated from the Home Owner Rules.
23	Restriction against Building on a Residential Portion			
	No Member shall be entitled to commence or procure the commencement of any building on a Residential Portion unless all amounts owing to the Association by the Member concerned, and any interest levied thereon, have been settled in full.			To enable the Association to prevent a Member from building on a Residential Portion if any amounts are owing to the Association. This is to assist the Board in recovering amounts owing to the Association by Members.
24	Rules			
24.1	<u>Association Rules</u>			
	The Board may make, amend or repeal any necessary or incidental rules relating to the governance of the Association in respect of matters that are not addressed in the Act or this MOI by delivering a copy of the rules to each Member by hand or e-mail and filing a copy of the rules with the Commission.	-	-	To align the document with the provisions of the Act which allow directors to make rules regarding the governance of a company. An example of such rules would be rules relating to the calling or conduct of directors meetings or an authority matrix in respect of payments etc.
24.2	<u>Estate Rules</u>			
24.2.1	Subject to any restriction imposed or direction given at a Members' meeting of the Association, in addition to the rules contemplated in clause 24.1 , the Board may, from time to time, make rules in regard to the use and enjoyment of the Common Property and any conduct on the Common Property	6.1	Subject to any restriction imposed or direction given at a general meeting of the company, the directors may from time to time make and amend or add to, rules governing the company's property which is intended to be a wildlife estate.	To amend Article 6.1 to incorporate the references to the defined terms in the MOI.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	and the Residential Portions.			
24.2.2	Without derogating from the generality of the provisions of clause 24.2.1 , the Board may make Estate Rules in relation to:	6.1	Such rules will be strict to ensure the proper preservation of the wildlife estate and the enjoyment and amenity of the members or their invitees.	To clarify the nature of the rules that the Board may make.
	24.2.2.1 the proper preservation of the Estate as a wildlife estate;			
	24.2.2.2 the keeping of animals, reptiles, fish or birds;			
	24.2.2.3 the introduction of traffic calming measures;			
	24.2.2.4 the imposition of fines and other penalties on Members;			
	24.2.2.5 building activities by Members on the Residential Portions;			
	24.2.2.6 the aesthetic appearance, design, specifications and maintenance of buildings on Residential Portions; and			
	24.2.2.7 all such other matters as may be necessary for the harmonious and beneficial use and enjoyment of the Estate.			
24.2.3	The Estate Rules shall be binding between the Association and each Member. Each Member shall comply with all of the Estate Rules.	6.7	Each member undertakes to the company that he shall comply with any rules made in terms of this Article 6.	To amend Article 6.7 to incorporate the references to the defined terms in the MOI and to clarify that the Estate Rules are binding between the Association and each Member.
24.2.4	In the event of any breach of the Estate Rules by any guests, visitors, residents or tenants of a Member, or his contractors, agents or employees, such breach shall be deemed to have been committed by the Member himself, but, without prejudice to the foregoing, the Board may take or cause to be taken such steps against the person actually committing the breach as they may, in their discretion deem fit.	6.3	In the event of any breach of the rules by guests or lessees of a member, or his agents or employees, such breach shall be deemed to have been committed by the member himself, but, without prejudice to the foregoing, the directors may take or cause to be taken such steps against the person actually committing the breach as they in their discretion may deem fit, including but not limited to the imposition of fines and restricting the member's access to the association's property.	To amend Article 6.3 to incorporate the references to the defined terms in the MOI.
24.2.5	In the event of a breach of any of the Estate Rules by a Member, the Board may:	6.2	For the enforcement of any of the rules made by the directors in terms hereof, the directors may:	To amend Articles 6.3 and 6.5 to incorporate the references to the defined terms in the MOI and to

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
24.2.5.1	take or cause to be taken such steps as it may consider necessary to remedy the breach of the Estate Rule of which the Member may be guilty, and debit the cost of doing so to the Member concerned, which amount shall then be deemed to be a debt owing by the Member to the Association;	6.2.1	take or cause to be taken such steps as they may consider necessary to remedy the breach of the rule of which the member may be guilty, and debit the cost of so doing to the member concerned, which amount shall then be deemed to be a debt owing by the member concerned to the company;	clarify the Board's powers in the event of a breach of the Estate Rules.
24.2.5.2	take such other action, including the institution of court proceedings in the name of the Association and the appointment of attorneys and counsel, as it may deem fit; or	6.2.2	take such other action, including court proceedings, as they may deem fit.	
24.2.5.3	impose, in its sole discretion, fines, penalties or other charges on the Member for such breach.	6.5	Notwithstanding the foregoing, the directors may in the name of the company enforce the provisions of any rules by proceedings in a court of competent jurisdiction and for this purpose may appoint such attorneys and counsel as they may deem fit.	
24.2.6	Should a Member dispute the fact that he has breached any of the Estate Rules:	6.4	In the event of any member disputing the fact that he has committed a breach of any of the rules aforesaid, a committee of two directors, appointed by the directors of the company, shall adjudicate upon the issue at such time and in such manner and according to such procedure as the directors may direct.	To amend Article 6.4 to: <ul style="list-style-type: none"> incorporate the references to the defined terms in the MOI; increase the number of directors on the committee to prevent a deadlock; and require the Member to cooperate with the committee, this would include providing the committee with all information it requires to determine the dispute.
24.2.6.1	the Board may appoint a committee of 3 (three) Directors to determine the dispute, provided that, if the Member disputing the breach is also a Director, he shall not be appointed to such committee;			
24.2.6.2	the dispute shall be determined in an expedited manner with a view to it being completed as soon as possible at such time and in such manner as the Board may direct; and			
24.2.6.3	the Member concerned shall cooperate with the committee appointed in terms of clause 24.2.6.1 in relation to the determination of the dispute.			
24.2.7	The Board shall be entitled in its sole discretion, but not obliged, to waive compliance with any of the Estate Rules, but any waiver granted shall not constitute a precedent which shall automatically apply to any other Members.	-	-	To enable the Board to waive compliance with any of the Estate Rules if good cause exist for it to do so.
25	Levies			
25.1	The Board shall, from time to time, impose levies upon Members for the purpose of meeting all the expenses,	5.1	The directors shall, from time to time, charge levies to the members other than the developer for the purpose of	To: <ul style="list-style-type: none"> incorporate the references to the defined terms

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
	including consumption and administration charges, which the Association has incurred, or which the Board reasonably anticipates that the Association will incur, in the furtherance of its Object.		meeting all the expenses which the company has incurred, or which the directors reasonably anticipate the company will incur, in the furtherance of its objects. During the initial period, the levies payable by the members referred to in 4.1.2 will be determined by having regard to the total number of residential portions to be sold and transferred.	in the MOI; and <ul style="list-style-type: none"> remove the reference to the initial period.
25.2	The Board shall, prior to the end of each financial year of the Association, prepare an itemised estimate of the anticipated income and expenditure (which may include a reasonable provision for contingencies) of the Association during the ensuing financial year, and therefrom calculate the amount required to be levied on Members.	5.4	The directors shall, prior to the end of each financial year, prepare an itemised estimate of the anticipated income and expenditure (which may include a reasonable provision for contingencies) of the company during the ensuing financial year, and therefrom calculate the amount required to be levied upon the members other than the developer during such ensuing financial year and impose a levy upon the members in such estimated amount.	To: <ul style="list-style-type: none"> incorporate the references to the defined terms in the MOI; and remove the reference to the developer.
25.3	The Board shall, as soon as possible after the calculation of the levies in terms of clause 25.2 , advise each Member in writing of the amount payable. Such amount shall be payable by the Member in equal monthly instalments in advance on or before the first day of each month.	5.5	The directors shall, as soon as possible after the imposition of the levy in terms of Article 5.4, advise each member in writing of the amount payable by him. Such amount shall be payable in equal monthly instalments due in advance on the first day of each month.	To incorporate the references to the defined terms in the MOI.
25.4	Each Member shall pay an equal levy.	5.3	Each owner of a residential portion save for the developer shall pay an equal levy.	To remove the reference to the developer.
25.5	In addition to the levies imposed in terms of clause 25.1 , the Board may, from time to time, impose: 25.5.1 special levies upon Members or call upon them to make special contributions in respect of all such expenses which are not included in any estimate made in terms of clause 25.2 ; or 25.5.2 building levies upon Members who undertake or cause building to be undertaken on the Estate, any special levies or contributions imposed in terms of this clause 25.5 may be made payable in one sum or in instalments, with or without interest, and at such time or times as the Board deems fit.	5.6	The directors may from time to time make special levies upon the members who are liable in terms of Article 5.2 or call upon them to make special contributions in respect of all such expenses as are mentioned in Article 5.1 (which are not included in any estimate made in terms of Article 5.4) and such levies and contributions may be made payable in one sum or by such instalments with or without interest and if with interest at such rate as may be determined by the directors, and at such time or times as the directors shall think fit.	To incorporate the references to the defined terms in the MOI and to include the provision regarding building levies from the Home Owner Rules.

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
25.6	The Board shall be entitled to raise interest on arrear levies (whether imposed in terms of clause 25.1 or 25.5 , as the case may be) at such rate as may, from time to time, be determined by the Board.	5.7	Interest shall be payable on arrear levies at such rate as may from time to time be determined by the directors.	To incorporate the references to the defined terms in the MOI.
25.7	Any amount due by a Member by way of levy or interest thereon shall be a debt due by him to the Association.	5.8	Any amount due by a member by way of a levy or interest shall be a debt due by him to the company.	To incorporate the references to the defined terms in the MOI.
25.8	Upon a Member ceasing to be an owner of a Residential Portion: 25.8.1 the obligation of that Member to pay levies shall cease, without prejudice to the Association's right to recover arrear levies and interest thereon; and 25.8.2 the Association shall not be liable to repay any levies or interest thereon paid by a Member.	5.9	The obligation of a member to pay levies shall cease upon his ceasing to be a member, without prejudice to the company's right to recover arrear levies and interest thereon.	To simplify Articles 5.9 and 5.10 and to incorporate the references to the defined terms in the MOI.
		5.10	No levies or interest paid by a member shall under any circumstances be repayable by the company upon his ceasing to be a member.	
25.9	A Member's successor-in-title to a Residential Portion shall be liable, as from the date upon which he becomes a Member pursuant to the transfer of that portion, to pay the levies and interest thereon attributable to the Residential Portion concerned.	5.11	A member's successor-in-title to an erf shall be liable, with effect from the date upon which he becomes a member pursuant to the transfer of that land, to pay the levy attributable to that land.	To incorporate the references to the defined terms in the MOI.
25.10	A Member shall be liable for and pay all legal costs, including costs as between attorney and own client, and collection commission, expenses and charges incurred by the Association in obtaining the recovery of arrear levies or any other arrear amounts due and owing by such Member to the Association.	5.12	A member shall be liable for and pay all legal costs, including costs as between attorney and own client, and collection commission, expenses and charges incurred by the company in obtaining the recovery of arrear levies or any other arrear amounts due and owing by such member to the company.	To incorporate the references to the defined terms in the MOI.
25.11	No Member shall be entitled to any of the privileges of membership of the Association unless he shall have paid every levy and interest thereon, and any other sum, if any, which may be due and payable by that Member to the Association, from whatsoever cause arising.	5.13	No member shall be entitled to any of the privileges of membership unless and until he shall have paid every levy and interest thereon, and any other sum, if any, which may be due and payable by that member of the company, from whatsoever cause arising.	To incorporate the references to the defined terms in the MOI.
26	Security, Maintenance and Replacements			
	The Board may:	7	The directors shall have the power, without prejudice to	To incorporate the references to the defined terms

Clause in draft MOI
Corresponding Clause in Memorandum and Articles of Association
Brief reason for amendment to existing provision or insertion of new provision

No.	Clause	No.	Clause	
26.1	erect security fencing and implement such security measures as it deems necessary to ensure control of access to the Estate and all persons therein;		any other rights of the company:	in the MOI.
26.2	cause any gatehouse at any access point to the Estate to be manned by security personnel, and to institute appropriate security measures as it deems fit; and	7.1	to erect security fencing and to implement security or such measures as they in their discretion deem necessary to ensure control of access to the property and all persons therein;	
26.3	maintain the Common Property and instruct the Estate Manager to attend to such landscaping and maintenance requirements on behalf of and at the cost of the Association.	7.2	to cause any gatehouse at any access point to the company's property to be manned by security personnel, and to institute appropriate security procedures as they deem fit;	
		7.3	to maintain the company's property and any common property and to instruct the manager to attend to such landscaping and maintenance requirements on behalf of and at the cost of the company.	

27 Winding-Up or Dissolution

Upon the winding-up or dissolution of the Association:	23	If the company shall be wound up the liquidator shall comply with the provisions of clause 6.2 of the company's memorandum of association.	To:
27.1 no past or present Member, Director or person appointing a Director, shall be entitled to any part of the net value of the Association after the obligations and liabilities of the Association have been satisfied; and	6.2	Upon its winding up, deregistration or dissolution, the assets of the company remaining after the satisfaction of all its liabilities shall be given or transferred to some other company or institution or companies or institutions having objects similar to its main object and which are themselves exempt from payment of income tax in terms of the Income Tax Act 58 of 1962 (or any statutory substitution or amendments thereof), to be determined by the members of the company at or before the time of its dissolution or, failing such determination by the Court.	<ul style="list-style-type: none"> align the document with the Act; and incorporate the references to the defined terms in the MOI.
27.2 the entire net value of the Association must be distributed to one or more non-profit companies, registered external non-profit companies carrying on activities in South Africa, voluntary associations or non-profit trusts having a similar object as that of the Association and as determined:			
27.2.1 by the Members, if any, or the Directors, at or immediately before the time of the dissolution of the Association; or			
27.2.2 by the court, if the Members fail to make such a determination.			

28 Notices

Clause in draft MOI		Corresponding Clause in Memorandum and Articles of Association		Brief reason for amendment to existing provision or insertion of new provision
No.	Clause	No.	Clause	
28.1	All notices required to be given by the Association to any Member shall be given in writing in any manner authorised by the Regulations and particularly Table CR3 annexed to the Regulations.	21.1	A notice by the company to any member shall be regarded as validly given if it is either delivered personally to the member or sent prepaid registered post to him at his registered address.	To align the document with the provisions of the Act pertaining to the giving of notices.
28.2	Each Member shall notify in writing to the Association: 28.2.1 an address, which address shall be his registered address for the purposes of receiving written notices from the Association by post and if he has not named such an address he shall be deemed to have waived his right to be so served with notices; and 28.2.2 an e-mail address and/or facsimile number, which address shall be his address for the purposes of receiving notices by way of Electronic Communication.	-	-	To align the document with the provisions of the Act pertaining to the giving of notices.
28.3	Any Member whose address in the membership register of the Association is an address not within South Africa, and who shall from time to time furnish the Association with an address within South Africa at which notices can be served upon him, shall be entitled to have notices served upon him at such address.	-	-	To align the document with the provisions of the Act pertaining to the giving of notices.
28.4	Any notice sent by any means permitted in Table CR 3 annexed to the Regulations shall be deemed to have been delivered as provided for that method of delivery in that table.	21.3	Any notice, if given by post, shall be deemed to have been served on the seventh consecutive day following that on which the letter or envelope containing such notice is posted.	To align the document with the provisions of the Act pertaining to the giving of notices.