



REPUBLIC OF SOUTH AFRICA

COMPANIES ACT, 1973

Form CM 44B

ARTICLES OF ASSOCIATION

of a Company not having a share capital

(Section 60(1);
Regulation 18)

Registration No. of
Company

Name of Company WILD FIG COUNTRY ESTATE HOME OWNERS' ASSOCIATION

(ASSOCIATION INCORPORATED UNDER SECTION 21)

- A. The articles of Table a contained in Schedule 1 to the Companies Act, 1973, shall not apply to the company.
- B. The articles of the company are as follows:

SEE OVERLEAF

1. INTERPRETATION

- 1.1. In these Articles, unless the context otherwise requires:-
 - 1.1.1. "company" means the Wild Fig Country Estate Home Owners Association, a company incorporated in accordance with the provisions of section 21 of the Companies Act;
 - 1.1.2. "the Companies Act" means Act 61 of 1973, as amended or any Act which replaces it;
 - 1.1.3. "the company's property" the remaining extent of the property after the developer has sold the residential portions to third parties, but excluding stands numbered 18 and 29 on the Site Development Plan. It also refers to the remaining extent of the property of Stand Number 42, after the developer has sold the residential portions. Stand number 42 is the townhouse complex known as the Wild Fig Village, comprising twenty six townhouses, a community/leisure centre, and staff housing for amongst others, the Estate Manager - forms a part of the 'company's property';
 - 1.1.4. "country estate" means the country estate to be developed on the property which will be known as the Wild Fig Country Estate" and which will comprise of, inter alia, the residential portion, a hotel, a clinic and retails stores;
 - 1.1.5. "the developer" means Havenfield Investments (Proprietary) Limited (registration number 2000/002254/07) (trading as Wild Fig Country Estate), a company duly registered and incorporated in accordance with the laws of the Republic of South Africa;
 - 1.1.6. "the initial period" means the period from the registration of these Articles of Association until the Developer has sold all residential portions of the property to third parties who will become members of this association and the company's property has been transferred to the company or earlier should the developer in its sole discretion decide;
 - 1.1.7. "the manager" means the manager appointed from time to time in terms of Article 8;
 - 1.1.8. "members" means the persons referred to in Article 4.1 as read with Article 4.3;
 - 1.1.9. "profits" includes revenue and capital profits;
 - 1.1.10. "the property" means the Wild Fig Country Estate (previously the Remaining extent of the farm Kafferklouf 106);

- 1.1.11. "register" means the register of members kept in terms of the Statutes;
- 1.1.12. "the Republic" means the Republic of South Africa;
- 1.1.13. "the residential portion" shall mean any portion of the property to be sold and transferred for residential purposes;
- 1.1.14. "the rules" means the rules made by the directors in terms of Article 6 as they apply from time to time;
- 1.1.15. "the Statutes" means the Companies Act and any and every other statute or ordinance from time to time in force concerning companies and necessarily affecting the company;
- 1.2. Reference to members represented by proxy shall include members represented by an agent appointed under a general or special power of attorney and reference to members present or acting in person shall include corporations represented or acting in the manner prescribed in Statutes.
- 1.3. 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.
- 1.4. Words in the singular number shall include the plural and words in the plural number shall include the singular, words importing the masculine gender shall include females, and words importing persons shall include bodies corporate.

2. PRELIMINARY

- 2.1. If the provisions of these Articles are in any way inconsistent with the provisions of the Statutes, the provisions of the Statutes shall prevail, and these Articles shall be read in all respects subject to the Statutes
- 2.2. Notwithstanding the omission from these Articles of any provision to that effect, the company may do anything the Companies Act empowers a company to do if so authorised by its Articles of Association.

3. ASSOCIATION'S PROPERTY

- 3.1. The company will initially lease the company's property from the developer for a nominal amount of One Rand, until the expiry of the initial period, where after the developer has agreed to transfer the company's property to the company.

- 3.2. The company will permit the company's property to be used as a country estate by all its members subject to such rules as the association may from time to time adopt in terms of Article 6.
- 3.3. The company will maintain the theme, nature, scope and extent of the country estate as presently envisaged, and should it want to change these, then the developer, or its successors in title, need to approve the proposed changes in writing.

4. MEMBERS

- 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.
- 4.2. The developer shall be entitled from time to time on notice to the company to terminate the membership of any person nominated as a member by the developer in terms of article 4.1.1 and to nominate some other person as a member of the company in his stead.
- 4.3. No person other than a person referred to in Article 4.1 shall be entitled to be a member of the company.
- 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.
- 4.5. When a member ceases to be registered owner of a residential portion he shall ipso facto cease to be a member of the company.
- 4.6. The developer and/or its nominees shall, when it is no longer the registered owner of a residential portion in the property, cease to be a member of the company.
- 4.7. Save for the circumstances set out in article 4.5 a member may not resign as a member of the company.
- 4.8. The company shall keep a register of members at the place and in the manner specified in the

- 4.9. On the death, insanity or insolvency or liquidation of any member, then as from the date of death or issue of a certificate by a medical practitioner certifying the insanity of such member or the grant of a provisional order of sequestration or liquidation, such member shall be represented by his executor, curator or trustee as the case may be.

5. LEVIES

- 5.1. The directors shall, from time to time, charge levies to the members, other than the developer (in respect of unsold stands), for the purpose of meeting all the expenses which the company has incurred, or which the directors reasonably anticipate the company will incur, in the furtherance of its objects. During the initial period, the levies payable by the members referred to in article 4.1.2 will be determined by having regard to the total number of residential portions sold and transferred.
- 5.2. Members other than the developer (in respect of unsold stands) shall be liable in respect of any levy made in terms of Article 5.1 from time to time.
- 5.3. Each owner of a residential portion (all stands except stand number 42 – the townhouse/village stands), shall pay an equal levy. The owner of a townhouse in the village will have access to the same facilities and privileges as an owner in the larger estate, but because of the smaller size and proximity of each townhouse, will pay approximately 60% (sixty percent) of the levy, unless the company determines otherwise.
- 5.4. A purchaser of a residential portion shall not be asked to pay more than his proportionate share of the total of the eighty one stands.
- 5.5. The initial monthly levy payable by a purchaser of a residential portion will be equal to the amount recorded in the offer to purchase concluded between that purchaser and the developer. Thereafter, at the beginning of each financial year, levies will be reviewed and adjusted as per Article 5.6, below
- 5.6. 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's unsold stands, during such ensuing financial year and impose a levy upon the members in such estimated amount.
- 5.7. 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.
- 5.8. The directors shall from time to time impose 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 5.1) 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 deem fit.

- 5.9. A penalty levy equal to 25% (twenty five per centum) will be imposed in the first year on purchasers of 1 (one) hectare stands who fail to complete the construction of their dwellings within a period of 3 (three) years from the date on which an agreement of sale is concluded between those purchaser and the developer. This is imposed as from 1 March 2011. This penalty levy will increase to 50% (fifty per centum) in the second year and a 100% (hundred per centum) in years after that.
- 5.10. Directors are specifically given discretion to increase the above penalty levy if in fact they feel that it is appropriate.
- 5.11. Interest shall be payable on arrear levies at such rate as may from time to time be determined by the directors.
- 5.12. Any amount due by a member by way of a levy or interest shall be a debt due by him to the company
- 5.13. 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.
- 5.14. No levies or interest paid by a member shall under any circumstances be repayable by the company upon his ceasing to be a member.
- 5.15. 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.
- 5.16. 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 amounts due and owing by such member to the company.
- 5.17. 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.

6. RULES

- 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 country estate. A copy of such rules is annexed hereto as appendix 6.1.
- 6.2. Such rules will be strict to ensure the proper preservation of the country estate and the enjoyment and amenity of the members or their invitees.
- 6.3. For the enforcement of any of the rules made by the directors in terms hereof, the directors may -
- 6.3.1. 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;
- 6.3.2. take such other action, including court proceedings, as they may deem fit.
- 6.4. 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.
- 6.5. 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.
- 6.6. 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.
- 6.7. It shall be the duty of the manager, or such other person or body as may be empowered by the directors, to ensure compliance by the members with the rules, and to this end to issue such notices or do such things as may be necessary or requisite.
- 6.8. Each member undertakes to the company that he shall comply with any rules made in terms of this Article 6.

7. PURPOSE DESCRIBING MAIN BUSINESS

The main object of the Company is -

- 7.1. To do all things necessary or incidental to the proper maintenance and management of the country estate but, without derogating from the generality of the foregoing, shall have as its objects and powers;
- 7.2. The promotion and enforcement of standards for community living in the country estate in such a way that members may derive the maximum collective benefit therefrom;
- 7.3. The promotion of acceptable aesthetic, environmental and architectural theme styles and design criteria for the country estate in order to achieve an harmonious development thereof and to control the design and development of all properties therein.
- 7.4. The management and maintenance of services in good and clean order and condition within the country estate -
 - 7.4.1. Of all water, stormwater, sewerage and electrical installations, of all roads, open space, common property, parking areas, and the compliance with all wildlife and environmental requirements.
 - 7.4.2. Of the communal facilities and amenities, as well as for the ongoing security of the country estate; and to this end to employ at its costs such personnel as may from time to time be required.
- 7.5. To control the construction, alterations and additions of the properties in the country estate.
- 7.6. The control over and maintenance of communal buildings, stables, services and amenities within the country estate .
- 7.7. The Association shall have the object to perform such acts as is necessary to accomplish these objectives including the raising of subscriptions or levies from members to achieve these goals.

8. SECURITY, MAINTENANCE & REPLACEMENTS

The directors shall have the power, without prejudice to any other rights of the company -

- 8.1. 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;
- 8.2. 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;
- 8.3. 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.

9. MANAGER

- 9.1. It is agreed that the developer will manage and administer the company and the company's property until this function is handed over to the Directors of the Homeowners Association who shall accept the appointment following the majority agreement by the members of the Homeowners Association,
- 9.2. A management agreement recording the terms and conditions of management will be concluded between the developer and the directors of the company within a reasonable time after the registration of these articles.
- 9.3. The directors shall give reasonable prior notice to the manager of all meeting of the directors and the manager shall be entitled to be present thereat.
- 9.4. The directors shall from time to time furnish to the manager copies of the minutes of all meetings of the directors of the company.
- 9.5. 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.

10. WILD FIG COUNTRY ESTATE

The developer reserves the right to the name "Wild Fig Country Estate" and any derivatives derived therefrom.

11. RESTRICTION OF TRANSFER OF RESIDENTIAL PORTIONS AND BUILDING CRITERIA

- 11.1. No member shall alienate or transfer a residential portion of which it is a registered owner unless:
 - 11.1.1. it is a condition of the sale agreement that:

- 11.1.1.1. the person to whom such residential portion is to be sold or otherwise 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;
- 11.1.1.2. the registration of transfer of such residential portion to the transferee shall ipso facto constitute the transferee as a member of the company;
- 11.1.2. 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
- 11.1.3. the transfer takes place prior to or on that specified date;
- 11.1.4. the proposed transferee has agreed in writing to become a member of the company and such written agreement has been lodged with the company.
- 11.2. 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.
- 11.3. 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.

12. MEETING OF MEMBERS

- 12.1. 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.
- 12.2. 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 have 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.
- 12.3. Every meeting of members shall, unless otherwise resolved by the directors, be held at the Wild Fig Country Estate, Vergenoeg Road, White River.
- 12.4. 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 it 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. 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.

13. PROCEEDINGS AT MEETINGS OF MEMBERS

13.1. All business that is transacted at a general meeting, and all that is transacted at the annual general meeting, with the exception of the consideration of the audited financial statements, the election of auditors and the fixing of the remuneration of the auditors shall be deemed to be special business.

13.2. Business may be transacted at any meeting of members only while a quorum is present.

13.3. Save as herein otherwise provided, the quorum at a meeting of members shall be -

13.3.1. during the initial period, three members, of whom one member shall be a nominee of the Developer, personally present and entitled to vote;

13.3.2. after the initial period, three members personally present and entitled to vote.

13.4. 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 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.

13.5. If there is no chairman present at a meeting of members of the company, 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 a chairman, the members present shall choose some directors or, if no director be present, or, if all

directors present decline to take the chair, they shall choose some member present, to be chairman of the meeting.

- 13.6. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed
- by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. 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.
- 13.7. At any meeting of members a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands a poll shall be demanded by any person entitled to vote at the meeting and, unless a poll is so demanded, a declaration by the chairman that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book of the company shall be conclusive evidence of the fact, without proof of the number of votes recorded in favour of, or against, such resolution. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.
- 13.8. If a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. Scrutinisers shall be elected to declare the result of the poll and their decision, which shall be given by the chairman of the meeting, shall be deemed to be the resolution of the meeting at which the poll is demanded.
- 13.9. 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.
- 13.10. All business transacted at the meeting is to be decided by a majority vote of those members present, subject however, to Article 3.3 if applicable.
14. VOTE OF MEMBERS
- 14.1. At any meeting of the company -
- 14.1.1. 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 of the company shall have one vote;
- 14.1.2. 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 14.1.1.

- 14.2. A proxy need not be a member of the company.
- 14.3. 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. The holder of a general or special power of attorney given by a member shall be entitled to vote, if duly authorised under that power to attend and take part in the meetings and proceedings of the company or companies generally, whether or not he be himself a member of the company.
- 14.4. The form appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notorially 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) at which the person named in the form proposes to vote, and in default the form of proxy shall not be treated as valid. No form appointing a proxy shall be valid after the expiry of six months from the date when it was signed, except at an adjourned meeting and unless otherwise specifically stated in the proxy itself.
- 14.5. Subject to the provisions of the Companies Act, a form appointing a proxy may be in any usual or common form.

15. DIRECTORS

- 15.1. Until otherwise determined by a meeting of members, the number of directors shall not be less than two or more than five.
- 15.2. During the initial period the Developer shall be entitled to appoint three directors on written notice to the company and, on similar written notice, to remove and replace any of such directors.
- 15.3. The first director of the company shall be Spiro Noussis.
- 15.4. Subject to the provisions of Article 14.2, the company may from time to time at any meeting of members increase or reduce the number of directors.
- 15.5. A director need not be a member of the company.
- 15.6. 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.

16. REMUNERATION OF DIRECTORS

- 16.1. 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.
- 16.2. 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.

17. ALTERNATE DIRECTORS

- 17.1. 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 respect, be subject to the terms and conditions existing with reference to the other directors of the company. A person may be appointed as alternate to more than one director. Where a person is alternate to more than one director or where an alternate director is a director, he shall have a separate vote on behalf of each director he is representing in addition to his own vote, if any.
- 17.2. 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 occurrence 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.

18. GENERAL POWERS AND DUTIES OF DIRECTORS

- 18.1. The business of the company shall be managed by the directors who may exercise all such powers of the company as are not exercised 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; but 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.
- 18.2. The directors may from time to time appoint one or more of their body to the office of managing director for such period and generally on such terms as they may think fit. The appointment of a managing director shall determine ipso facto if he shall cease for any reason to be a director, or if the company at any meeting of members shall resolve that his tenure of the office of managing director be determined.
- 18.3. The directors may from to time entrust to and confer upon a managing director for the time being such of the powers vested in them as they may think fit, and may confer such powers for such time and to be exercised for such objects and upon such terms and with such

restrictions as they may think expedient; and they may confer such powers either collaterally or to the exclusion of, and in substitution for, all or any of the powers of the directors, and may from time to time revoke or vary all or any of such powers.

18.4. The directors shall have the power from time to time to delegate to any one of their body or to any other person, whether in the Republic or not, such of the powers as are vested in the directors pursuant to the Statutes or under these Articles, as they may deem fit.

18.5. The directors may delegate any of their powers to committees consisting of such 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 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 meeting and proceedings of directors.

18.6. 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.

19. DISQUALIFICATION AND PRIVILEGES OF DIRECTORS

19.1. A director shall cease to hold office, if -

19.1.1. 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

19.1.2. 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 its creditors generally; or

19.1.3. he is found lunatic or becomes of unsound mind; or

19.1.4. he is removed by a resolution of the company as provided for in the Statutes; or

19.1.5. he resigns his office by notice in writing to the company; or

19.1.6. 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 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

19.1.7. he is otherwise removed in accordance with any provisions of these Articles.

19.2. No director or intending director shall be disqualified by this office from contracting with the company in any manner whatsoever provided full disclosure of the proposed contract is made to

the company, prior
to entering into the contract.

19.3. Such director shall be entitled to vote at any board meeting or otherwise in relation to such contract as freely as if he were not interested therein and he shall be reckoned for the purpose of constituting a quorum of directors.

20. PROCEEDINGS OF DIRECTORS

20.1. A director may, and any other person appointed by the directors at the request of a director shall, at any time summon a meeting of the directors.

20.2. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.

20.3. Unless otherwise resolved by the directors, all their meetings shall be held in the city or town where the company's registered office is registered at that time.

20.4. Questions arising at any meeting of directors shall be decided by a majority of votes.

20.5. The chairman shall not have a second or casting vote in the case of an equality of votes.

20.6. 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 Republic of

South Africa.

20.7. Until otherwise determined by the directors, a quorum shall consist of 3 (three) directors. During the initial period not less than 2 of the directors required to constitute a quorum shall be directors appointed by the Developer. For the purpose hereof a director who has authorised another director to vote for him at a meeting in terms of Article 15 shall, if the director so authorised is present at the meeting, be deemed to be present himself and each director whose alternate is present at a meeting (even if the latter is alternate to more than one director) shall be deemed to be so present.

20.8. The continuing directors (or sole continuing director) may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as a quorum, the continuing directors or director may act only for the purpose of summoning a general meeting of the company. If there are no directors or director able and willing to act, and no specific provision is made in these Articles for the appointment of directors, then any two members may summon a general meeting for the purpose of appointing directors.

- 20.9. 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 alternative 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.
- 20.10. A director unable to attend a directors' meeting may authorise any other director to vote for him at the meeting, and in that event the director so authorised shall have a vote for each director by whom he is so authorised in addition to his own vote. If both the director so authorised an alternative of the director who granted the authority are present at the meeting, the alternate shall not be entitled to vote on behalf of the absent director. Authority in terms of this Article must be in writing (which may take the form of a telefax, telegram, cable or telex) and must be handed to the person presiding at the meeting at which it is to be used.
- 20.11. 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 any meeting at which 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.

21. VALIDITY OF ACTS OF DIRECTORS AND COMMITTEES

As regards all persons dealing in good faith with the company, all acts done by any meeting of the directors or of a committee of directors, or by any person acting as a director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment or continuance of office of any such directors or persons acting as aforesaid, or that they or any of them were disqualified or had ceased to hold office or were not entitled to vote, be as valid as if every such person had been duly appointed or was qualified or had continued to be a director or was entitled to vote, as the case may be.

22. RESERVES

The directors may set aside out of the profits of the company and carry to reserve such sums as they think proper. All sums standing to the credit of revenue and general reserve shall at the discretion of the directors be applicable for meeting contingencies, for the gradual liquidation of any debt or liability of the company, for repairing, improving or maintaining any property of the company, for meeting losses on realisation of or writing down investments either individually or in the aggregate, or for any other purpose to which profits of the company may appropriately be applied. Pending such application such amounts may either be employed in the business of the company (without being kept separate from the other assets of the company) or be invested. The directors may divide the reserve into such special reserves as they think fit and re-allocate the amount of such reserves either in whole or in part to other special or general reserves and may consolidate into one reserve any special reserves or any parts of any special reserves into which the reserve may have been divided. The directors may also carry forward any profits without placing them to reserve.

23. DEVELOPMENTS BY THE DEVELOPER

- 23.1. The developer shall be entitled itself or to have a third party construct such developments as the developer in its sole discretion may determine on such portion

of the property as the developer in its sole discretion may determine provided that such developments comply with zoning and other requirements imposed by the municipal authority on the property concerned.

23.2. All the developments by the developer shall form part of the country estate and the company shall have

no right to object to such developments.

24. ADDITIONAL PROPERTIES

Any additional properties, whether or not they form part of the property, may in the sole discretion of the developer be consolidated into the country estate.

25. WILD FIG FARM AND WILD FIG LODGE & SPA

The above farm (Portions 16 & 17 and the remaining extent of Portion 9, of the farm Highlands 115), and the hotel of the Developer will form part of the country estate but are exempt from levies until all the sites on the country estate have been sold, and until the farm is included in the boundaries of the country estate. Members of the Association acknowledge and accept the business of a Lodge and Spa on the country estate. Members will be allowed to utilise the facilities of the lodge at preferential rates, so long as the Developer is the sole Owner of the Lodge.

26. NOTICES

26.1. 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.

26.2. A member shall be bound by every notice given in terms of Article 22. The company shall not be bound to enter any person in the register of members until that person gives the company an address for entry on the register.

26.3. 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.

26.4. When a given number of days' notice or notice extending over any period is required to be given, the day of service shall not be counted in such number of days or period.

27. INDEMNITY

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 judgement 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 court.

28. WINDING-UP

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.

29. TRANSFER OF RESPONSIBILITY

After all the stands have been sold, the company will take over all services and responsibilities of the country estate, and will indemnify the Developer against all loss, damages, costs and / or expenses which the company may sustain or incur.

30. GENERAL INDEMNITY

The company and/or the Developer and/or the Directors of the Section 21 Company are indemnified and held harmless by each member against any claim arising whatsoever as a result of death, injury, damages, loss whatsoever and howsoever arising, sustained by any occupier, owner, lessee, visitor, servant, agent, child or any other person and sustained whilst being on the country estate, whether due to the negligence or otherwise of the company, Developer, Director of the Section 21 Company, their Agents, representatives or servants.