

CONSTITUTION

of

PEARL VALLEY GOLF CLUB

Index

PEARL VALLEY GOLF CLUB CONSTITUTION

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PEARL VALLEY GOLF CLUB CONSTITUTION

1 NAME OF CLUB

The name of the Club shall be the PEARL VALLEY GOLF CLUB. The Club shall until the handover date be owned, controlled and managed by a private incorporated company ("**the Company**"), will be conducted as a business by the Company and shall be controlled by its shareholders and Directors, subject to the Company's Memorandum of Incorporation. The Developer shall either directly or through its agents and assigns own the Club, Golf Course, Club Facilities and Recreational Facilities until such time as it may elect to transfer or sell one or some or all of the above to a third party or the Association. The Developer may either directly or through its agents and assigns lease the Golf Course, Club Facilities and Recreational Facilities to the Company subject to the terms and conditions of the lease agreement that may be concluded between the Developer and the Company.

2 DEFINITIONS

- 2.1 "**Additional Member**" shall mean a natural person who is a shareholder or director of a company, a member of a close corporation, a trustee or beneficiary in a trust or a partner in a partnership – which entity is an Owner – nominated as such by the Primary Member as opposed to him nominating Family Members. An Additional Member shall also mean the natural person nominated by the Primary Member holding a Transferable Membership, as opposed to him nominating Family Members.
- 2.2 "**Annual General Meeting**" shall mean a meeting of all voting Members of the Club after the Handover Date, in accordance with clauses 14 and 16 hereof.
- 2.3 "**Annual Subscription**" shall mean an amount payable annually by a Member, which shall be approved by the Board or the Committee as the case may be and shall be due and payable on the first day of March each year.
- 2.4 "**Appeal Committee**" shall mean a sub-committee, appointed by the Board or the Committee as the case may be. The main object of the Appeal Committee shall be to consider appeals by Members against decisions of the Disciplinary Committee or any chairperson appointed by the Board (if the Handover Date has

not occurred yet) or the Disciplinary Committee to chair disciplinary enquiries and to determine whether to uphold the appeal, to vary the penalty or fine, or to dismiss the appeal. No member of the Disciplinary Committee who made the decision of which is appealed against, may serve as a member of the Appeal Committee, but if the decision was made by an independent chairperson not serving on the Disciplinary Committee, the Disciplinary Committee may serve as the Appeal Committee.

- 2.5 “**the Association**” shall mean the Pearl Valley Golf Estates Home Owners’ Association constituted and established as a body corporate pursuant, inter alia, to the provisions of section 29 of the Land Use Planning Ordinance No. 15 of 1985.
- 2.6 “**the Board**” shall mean the board of Directors of the Company from time to time.
- 2.7 “**the Club**” shall mean the Pearl Valley Golf Club established for the Members of the Golf Course situated on Erf 1, Pearl Valley Estate, situate in the Drakenstein Municipality, Administrative District Paarl, Western Cape Province (formerly portion 1 of the Farm Safariland No. 1265, Division of Paarl, Western Cape Province) but shall exclude the Golf Course, the Club Facilities and the Recreational Facilities.
- 2.8 “**the Club Facilities**” shall mean the club house, driving range, pavilions, refreshment rooms and other conveniences built and/or erected on the Estate for the general functioning of the Club and any improvements thereto.
- 2.9 “**Code**” shall mean the code of conduct provided by the Developer from time to time prior to the Handover Date regulating the terms on which the Members are given the right to make use of the Club Facilities and Recreational Facilities.
- 2.10 “**the Committee**” shall mean the Committee of the Club, as referred to in clause 17.1 of this Constitution.
- 2.11 “**the Company**” shall mean the Developer or a company as appointed by the Developer or such other company as may acquire the Club from the Developer.
- 2.12 “**Dependent Child**” shall mean the minor child (i.e. younger than 21 years of age) of a Primary Member and who is a bona fide scholar or student and who

shall be obliged to submit proof of registration at a recognized educational institution each year.

- 2.13 “**the Developer**” shall mean Pearl Valley Investments (Pty) Ltd (registration number 2006/022980/07) and its successors in title and permitted assignees.
- 2.14 “**Directors**” shall mean representatives of the Developer who are appointed to the Board.
- 2.15 “**Disciplinary Committee**” shall mean a sub-committee, appointed by the Board or the Committee as the case may be. The main objects of the Disciplinary Committee shall be to conduct such disciplinary hearings as may be necessary, to reach a verdict and to impose any penalties or fines that may be appropriate in terms of this Constitution.
- 2.16 “**Erf / Erven**” shall mean any of the residential Erven depicted on the existing or any future General Plans of Subdivision of the Land (as defined in the Constitution of the Association) whether registered or not in accordance with the Deeds Registries Act No. 47 of 1937 including further subdivisions or consolidations thereof but excluding the private areas and the non-residential erven as defined in the Constitution of the Association ;
- 2.17 “**the Estate**” shall mean the Pearl Valley Golf and Country Estate being developed on the Land as defined in the Constitution of the Association.
- 2.18 “**Family Members**” shall mean the spouse / common law partner and Dependent Children of the Primary Member, nominated as such by the Primary Member where he has not nominated an Additional Member.
- 2.19 “**General Meeting**” shall mean either an Annual General Meeting or a Special General Meeting (both of which are only to be held after the Handover Date).
- 2.20 “**the Golf Course**” shall mean the 18 hole golf course constructed on Erf 1 Pearl Valley Estate, situate in the Drakenstein Municipality, Administrative District Paarl, Western Cape Province (formerly portion 1 of the Farm Safariland No. 1265, Division of Paarl, Western Cape Province), as depicted on the General Plans of Subdivision of the Land (as defined in the Constitution of the Association).

- 2.21 “**Handover Date**” shall mean the date on which the Association takes possession and ownership of the Club from the Developer in the event that the Developer elects in its sole and absolute discretion to transfer or sell the Club to the Association.
- 2.22 “**House Levies**” shall mean such annual amount to be paid by Members (save for Utility Members) as determined from time to time by the Board or the Committee, as the case may be, to be utilized as a deposit towards food and beverage purchases by Owner and Transferable Members at/from the Club.
- 2.23 “**Member**” shall mean any natural person, duly admitted as a member of the Club in terms of this Constitution.
- 2.24 “**Membership**” shall mean the Primary Member who would be entitled to vote at the General Meetings of the Club (even if such meetings cannot yet be held in terms hereof because the Handover Date has not yet occurred), plus his Family Members or the Additional Member attached to such Primary Member, if any, together with Utility Members and Non-Resident Term Members, all of which shall collectively be referred to as Membership.
- 2.25 “**Membership Committee**” shall mean a sub-committee comprising of at least three Members appointed by the Board or the Committee as the case may be. The principal objects of which shall be to make recommendations on all matters pertaining to Membership of the Club to the Board or the Committee as the case may be, and to consider and, subject to appeal to the Board or the Committee as the case may be, approve and/or reject all applications for Membership or nomination of Members.
- 2.26 “**Non-Resident Term Member**” shall mean a natural person who is a Member but not an Owner whose Membership is limited in time.
- 2.27 “**Owner/Owners**” means the registered owner(s) of an Erf/Erven in the Estate, save where any Erf is a sectional title scheme in which case the Owner shall be deemed to be the registered owner of a Sectional Title Unit as well as the Body Corporate established in respect of such sectional title unit.

- 2.28 “**Owner Member**” shall mean the Primary Member who is the Owner alternatively the Primary Member nominated by the company, close corporation, trust or partnership that is the Owner.
- 2.29 “**Owner Memberships**” shall mean the Membership allocated to the first Owners of Erven or Sectional Title Units in the Estate, as stipulated in Clause 6.2.1 hereof, and shall include Membership acquired by subsequent Owners in accordance with Clause 12.1.2 hereof.
- 2.30 “**Primary Member**” shall mean an Owner alternatively in the event that the Erf or Sectional Title Unit is owned by a company, close corporation, trust or partnership, the natural person nominated by the entity to be the Primary Member. A Primary Member shall also mean a Member who has purchased a Transferable Membership.
- 2.31 “**Recreational Facilities**” means such facilities proposed to be established on the Estate alternatively on property owned by the Developer adjacent to the Estate and added to from time to time, but which shall exclude the Golf Course, Club Facilities and the hotel, spa, restaurants and other amenities and facilities proposed to be established by the Developer in terms of clause 7.2 of the Constitution of the Association.
- 2.32 “**Recreational Facilities Committee**” shall mean a sub-committee appointed by the Board or the Committee as the case may be. The main objects of the Recreational Facilities Committee shall be to manage the operation and maintenance of the Recreational Facilities.
- 2.33 “**Sectional Title Units**” means the Sectional Title Units to be erected by the Developer or any other developer, which Units may either be freehold or incorporated in a sectional title scheme.
- 2.34 “**Special General Meeting**” shall mean a meeting called by the Committee, or shall be a meeting called by the Committee upon a requisition signed by at least 30 (THIRTY) Members who are entitled to vote, specifying the object or objects for which such meeting is to be held, in accordance with clauses 14 and 15 hereof.

- 2.35 “**Transferable Membership**” shall mean the Membership which may be sold from time to time at a cost to be determined by the Board or the Committee, as the case may be.
- 2.36 “**Transferable Member**” shall mean the Primary Member who is a natural person who has purchased a Transferable Membership.
- 2.37 “**Utility Member**” shall mean a temporary Member whose right of Membership usually endures for only a few days.

3 THE HANDOVER DATE

- 3.1 In the event that the Developer elects to transfer or sell the Club to the Association, the Association shall acquire possession and ownership of the Club on the Handover Date.
- 3.2 It is specifically recorded that the transfer or sale of the Club shall not include the transfer or sale of the Golf Course and/or the Club Facilities and/or the Recreational Facilities unless otherwise expressly agreed between the parties.
- 3.3 The Developer shall in its sole discretion decide if and when such transfer/sale will occur and the terms and conditions under which such transfer/sale will take place. However, the Developer shall be entitled to transfer and/or sell the Club, or for that matter the Golf Course and/or Club Facilities and/or Recreational Facilities, to any third party and nothing contained in this Constitution or in any other Agreement concluded in connection with or pertaining to the Club, including the Constitution of the Association, shall in any way limit the right of the Developer to transfer/sell same.
- 3.4 To the extent of any conflict between the provisions of this Constitution and the Code prior to the Handover Date, the provisions of the Code shall prevail.

4 OBJECTS

- 4.1 The main object for which the Club is established is to provide social and/or recreational amenities and facilities for its Members, more particularly in connection with and incidental to the game of golf.
- 4.2 The Club has the following ancillary objects:

- 4.2.1 to encourage, promote and foster the game of golf;
- 4.2.2 to provide, manage and maintain the Golf Course, Club Facilities and Recreational Facilities;
- 4.2.3 to direct the activities of the Club wholly or mainly to the furtherance of its objects.

5 BOARD OF DIRECTORS

- 5.1 Up to the Handover Date, the affairs of the Club shall be managed and controlled by the Board and the provisions of the Company's Memorandum of Incorporation and/or Shareholders Agreement shall govern the composition, voting rights and powers of the Board. From the Handover Date, the affairs of the Club shall be managed and controlled by the Committee as specified in clause 17.
- 5.2 Upon the Handover Date, a General Meeting of Members shall be called for the purpose electing the Committee as is specified in clause 17.

6 MEMBERSHIP

- 6.1 The memberships of the Club shall be limited to such number determined by the Board or the Committee, as the case may be, subject thereto that membership of the Club shall be compulsory for all Owners, subject to the provisions of the Code, this Constitution, the Rules and the Constitution of the Association.

- 6.2 Membership of the Club shall be available in the following categories :

6.2.1 Owner Memberships

Owner Memberships will be allocated to Owners (or to one such Owner where there is more than one) and shall include the nominated natural person of any company, close corporation, trust or partnership where the Owner is any of such entities;

- 6.2.1.1 Where there is more than one (1) Owner, the Membership in terms of clause 6.2.1 shall be recorded in the name of the Member specified as such in writing, at the time of the signing of the Agreement of Sale

for the acquisition of the Erf or the Sectional Title Unit to which such Membership has been allocated.

6.2.1.2 Where an Erf or a Sectional Title Unit is leased under a bona fide lease for at least six months, then at the election of the Owner, and upon payment of a registration fee as determined from time to time by the Board or the Committee as the as the case may be, the Membership shall belong exclusively to the tenant in occupation, for so long as the lease subsists. On termination of the lease, the Membership shall revert to the Owner.

6.2.1.3 In the case of a tenant referred to in clause 6.2.1.2, each Owner shall promptly furnish the Board or the Committee as the case may be with a copy of the written Agreement of Lease and such other information as might be required by the Board or the Committee as the case may be, in respect of the Lease.

6.2.1.4 The Developer by virtue of its ownership of any Erven or Sectional Title Units in the Estate not yet registered in the names of purchasers thereof, shall ipso facto be entitled to nominate the Primary Member from its ranks of Shareholders and Directors in respect of each such Erf or Self-catering Unit. The Developer shall not be required to pay any Annual Subscriptions for such Memberships nor for any unsold Transferable Memberships that it holds, but shall be entitled to such number of votes as specified in clause 16.6.

6.2.2 Transferable Memberships

Transferable Memberships shall at the discretion of the Board or the Committee as the case may be, be allocated for sale as follows to:

6.2.2.1 natural persons who are shareholders, directors, members, trustees, beneficiaries and partners who are not Primary Members nominated by companies, close corporations, trusts and partnerships that are Owners; and

6.2.2.2 such other natural persons as may be determined by the Board or the Committee as the case may be, from time to time.

The purchase price of the Transferable Memberships shall be such amount as may be determined from time to time by the Board or the Committee as the case may be.

6.2.3 Utility Memberships

Utility Memberships belonging to the Club shall at the discretion of the Board or the Committee as the case may be, be allocated as follows to:

- 6.2.3.1 operators of hotels, spas and other facilities established or to be established within the Estate or within close proximity of the Estate to be used by their bona fide guests;
- 6.2.3.2 guests of the Developer;
- 6.2.3.3 participants in and organizers of golf days;
- 6.2.3.4 walk-in golfers,

which Memberships shall be subject to the following provisions:

- 6.2.3.5 a hotel/spa shall be entitled to nominate one Utility Member per day in respect of each Membership;
- 6.2.3.6 Utility Members shall pay green fees and/or usage fees to be determined by the Board or the Committee as the case may be, from time to time to play a round of golf and to use the Club Facilities and the Recreational Facilities for the particular day;
- 6.2.3.7 Utility Memberships shall not be capable of being sold or transferred and shall be subject to such subscriptions and applicable charges as may be laid down by the Board or the Committee as the case may be, from time to time.

6.2.4 Non-Resident Term Memberships

Non-Resident Term Memberships may be allocated for sale at the sole discretion of the Board or the Committee as the case may be, to persons not owning Erven or Sectional Title Units in the Estate, provided that the

number of such Memberships do not exceed the remaining available Memberships referred to in clause 6.1 Non-Resident Term Memberships shall endure for a maximum period of 1 (ONE) year, but may be renewable, subject to availability of Memberships and at the sole discretion of the Board or the Committee as the case may be.

6.3 The Primary Members holding Owner Memberships and Transferable Memberships are entitled to nominate either Family Members or an Additional Member as Members on the understanding that such Family Members or Additional Member:

6.3.1 shall receive entitlement to full Membership rights and privileges, subject to such restrictions as set out elsewhere in this Constitution and in the Rules of the Club and such decisions made by the Board or the Committee as the case may be and communicated to the Members from time to time, and be bound by all the obligations of the said Primary Member, but shall not be required to pay an entrance fee; and

6.3.2 shall not be entitled to vote at General Meeting of the Club; and

6.3.3 shall not have the right to nominate Family Members and/or an Additional Member as Members.

6.4 Membership of the Club shall not give any Member any proprietary right, title, interest, claim or demand in or to any of the property of the Club, but shall confer on Members merely the right to use the Golf Course, Club Facilities and the Recreational Facilities subject to the provisions of the Code and the Constitution of the Club and its rules as amended from time to time.

6.5 The Board or Committee, as the case may be, shall be entitled to create such further categories of membership upon such terms and conditions as they in their sole discretion may deem fit, and shall also be entitled to eliminate any such categories from time to time. They shall further be empowered to limit or extend the number of memberships/members in each particular category from time to time.

6.6 The Developer shall either directly or through its agents or assigns own all unallocated and unsold Memberships. All unallocated and unsold Memberships,

including Utility Memberships, shall be purchased by the Association from the Developer on Handover Date at a purchase price to be mutually agreed upon between the parties. The Developer shall not be required to pay any Annual Subscriptions for the Memberships that it owns but shall be entitled to such number of votes as specified in clause 16.6.

7 VOTING AND OTHER RIGHTS AND RESTRICTIONS OF MEMBERS

- 7.1 Each holder of an Owner Membership or a Transferable Membership shall:
- 7.1.1 be entitled to 1 (ONE) vote in respect of each Membership that he holds at all General Meetings of the Club;
 - 7.1.2 pay an entrance fee for the cost of the Membership in addition to any purchase price paid for an Erf, save for Owner Members who acquired Membership with the purchase of Erven or Sectional Title Units on the Estate from the Developer and furthermore save for the Developer in respect of all unsold Transferable Memberships that it holds;
 - 7.1.3 pay to the Club an Annual Subscription and any other applicable charges as may be laid down by the Board or the Committee as the case may be, from time to time;
 - 7.1.4 pay green fees for the use of the Golf Course;
 - 7.1.5 pay usage fees for the use of such Recreational Facilities as determined by the Board or the Committee as the case may be ;
 - 7.1.6 not be entitled to sell and transfer such Membership save as set out in clause 12 hereof.
- 7.2 In respect of Utility Memberships, the following shall apply to such Members, who shall :
- 7.2.1 not be entitled to vote at General Meetings of the Club;
 - 7.2.2 pay green fees for the use of the Golf Course and the Club Facilities ;

- 7.2.3 pay usage fees for the use of such Recreational Facilities as determined by the Board or the Committee as the case may be;
- 7.2.4 not be entitled to sell and transfer such Membership.
- 7.3 In respect of Non-Resident Term Memberships the following shall apply in respect of such Members who shall :
 - 7.3.1 not be entitled to vote at General Meetings of the Club;
 - 7.3.2 pay to the Club an Annual Subscription and any other applicable charges as may be laid down by the Board or the Committee as the case may be, from time to time;
 - 7.3.3 pay green fees for the use of the Golf Course;
 - 7.3.4 pay usage fees for the use of such Recreational Facilities as determined by the Board or the Committee as the case may be;
 - 7.3.5 not be entitled to sell and transfer such Membership.

8 MEMBERSHIP FEES, ANNUAL SUBSCRIPTIONS AND GREEN FEES

- 8.1 The different amounts payable by the different Membership categories as entrance fees for Memberships, Annual Subscriptions, green fees and usage fees (for the use of those Recreational Facilities as determined by the Board or the Committee as the case may be) shall be determined by the Board or the Committee as the case may be, from time to time and in making such determination the Board or the Committee as the case may be shall have regard to market related rates of similar Golf Estate Resorts within the Republic of South Africa and abroad. For the avoidance of doubt, the determination of such fees shall be in the sole and absolute discretion of the Board or the Committee as the case may be.
- 8.2 Owner Members who take transfer of their Erven or Sectional Title Units from the Developer shall pay Annual Subscriptions on date of transfer of the Erf or the Sectional Title Unit to which such membership is attached, failing which their rights to the use of the Golf Course, Club Facilities and Recreational Facilities

shall be automatically suspended until such time as the Annual Subscription has been paid.

- 8.3 All Members shall pay their entrance fees for Memberships and their Annual Subscriptions timeously, failing which their rights to use the Golf Course, Club Facilities and Recreational Facilities shall be automatically suspended until such time as the entrance fee for Membership and/or the Annual Subscription in question has been paid in full.

9 GOLF PLAYING RIGHTS

- 9.1 A Member shall be entitled to use the Golf Course and the Club Facilities subject to the terms and conditions of this Constitution, the Rules of the Club, the Code of Conduct and the Constitution and Rules of the Association and such terms and conditions published by the Board or the Committee from time to time, as the case may be.
- 9.2 Additional Members and Family Members shall be subject to such restrictions as stipulated by the Board or the Committee as the case may be, from time to time with regard to playing times and access to Club Facilities.
- 9.3 No motorised ride-on golf cars or carts will be permitted on the Golf Course, except those owned by the Club, or as may be approved by the Board or the Committee as the case may be, in its entire discretion and on such conditions as it may impose. If a Member wishes to purchase his own golf car, the make and colour thereof shall first be approved by the Board or the Committee as the case may be and the Member shall be bound by the decision of the Board or the Committee as the case may be. Only electrically powered golf cars shall be permitted.
- 9.4 The Club shall be entitled to provide caddies for hire and shall provide all necessary facilities for caddies and prescribe and enforce a code of conduct regulating the activities and duties of caddies on the Estate. The Club shall provide uniforms for and training of caddies. The Club shall be entitled to dismiss any caddie and order his immediate removal from the Estate in its sole discretion and without giving a reason therefor. Only caddies employed by the Club shall be allowed onto the Estate and no private caddies shall be permitted.

- 9.5 Members who acquire their own golf cars shall be liable to pay an annual trail fee to be determined from time to time by the Board or the Committee as the case may be and which trail fee shall be payable annually in advance.

10 RIGHTS, DUTIES AND PRIVILEGES OF MEMBERS

- 10.1 All Members shall be entitled to make use of all the Club Facilities and Recreational Facilities at all times, subject to any restrictions imposed by the Code, this Constitution, the Rules made in terms of the Constitution, or by the Board or the Committee as the case may be.
- 10.2 All Members who are entitled to vote shall, subject to such limitations set out in clause 7 above, have the right to serve on any Committee of the Club to which such Member may be elected, it being agreed, however, that the Board may prior to the Handover Date also appoint non-voting Members to committees established in respect of the Club operations.

11 ADMISSION TO MEMBERSHIP

- 11.1 Any person applying for Membership, save for Utility Members, shall be required to complete the prescribed Membership application form and to follow such procedures as may be prescribed by the Board or the Committee as the case may be, from time to time and may be required to attend an interview with the Membership Committee or any Member or Members of the Board or the Committee as the case may be. The application form shall in all respects comply with the provisions of this Constitution.
- 11.2 Applicants for Membership shall be bound by the Code, this Constitution, and any Rules made in terms thereof.
- 11.3 The Membership Committee shall not be obliged to admit to Membership any person applying for same, save for those persons who purchased an Erf or a Sectional Title Unit and subject always to the provisions of this Constitution.
- 11.4 The rights, duties and privileges of Membership shall become effective only after an application for Membership has been approved by the Membership Committee, and after any entrance fees, Annual Subscriptions and special levies or any portions thereof that are due and payable have been paid.

- 11.5 An applicant for Membership shall be obliged to pay such deposit at the time of application as may be laid down by the Board or the Committee as the case may be, from time to time, which deposit shall be refundable to the applicant in the event of the application not being successful, less any amount as may be determined by the Board or the Committee as the case may be, in respect of direct administration costs.
- 11.6 If accepted for Membership the applicant shall then be liable to pay all monies due either immediately or in such instalments as the Board or the Committee as the case may be, may in its discretion determine less such deposit as may have been paid by the applicant.

12 TRANSFER OF MEMBERSHIP

- 12.1 The following rules shall apply with regard to the transfer of Memberships:
- 12.1.1 in as much as Owners acquiring their Erven or their Sectional Title Units directly from the Developer are exempt from paying entrance fees and Membership is essentially intended to be extended to Owners, the Owner shall not be entitled to transfer his Erf or his Sectional Title Unit whilst retaining ownership of the Membership;
- 12.1.2 consequently, upon the Owner selling his Erf or his Sectional Title Unit, the Owner's Membership which was acquired by virtue of the acquisition of the Erf or the Sectional Title Unit directly from the Developer and in respect of which no entrance fee was payable, shall lapse and revert to the Developer or the Company, as the case may be, upon transfer of his Erf or his Sectional Title Unit to the new Owner. The new Owner and all subsequent Owners thereafter shall then be obliged to apply for Membership as an Owner Member subject to the payment of entrance fees, Annual Subscriptions, or such other fees as may be determined by the Board or the Committee as the case may be, from time to time;
- 12.1.3 to the extent that the Owner Member has pre-paid Annual Subscriptions, the following amount shall be refunded to the Owner Member, subject to the provisions of Clause 12.3:

- 12.1.3.1 where more than 6 (SIX) months but less than 8 (EIGHT) months of the year in respect of which the Annual Subscription has been paid remains unexpired, an amount equivalent to 30% of the Annual Subscription shall be refunded to the Owner Member;
- 12.1.3.2 where more than 8 (EIGHT) months of the year in respect of which the subscription has been paid remains unexpired, an amount equivalent to 50% of the Annual Subscription shall be refunded to the Owner Member;
- 12.1.4 in the event of a Member having acquired Transferable Membership and such Member wishes to sell such Transferable Membership, then and in such event the said Member shall be obliged to offer such Membership to the Developer who shall have the right of first refusal to purchase such Membership at 80% of the reasonable market value thereof, or 80% of the purchase price originally paid by the Member to the Developer in respect of the acquisition of such Membership, whichever is the greater. In the event however that the Developer does not wish to purchase such Membership, the Member shall be obliged to sell his Membership through the Club to a person as defined in clauses 6.2.2.1 and 6.2.2.2 who shall offer such Membership on a first-come, first-served basis, and in accordance with a waiting list that the Club will manage;
- 12.1.5 unless the Transferable Membership is purchased by the Developer, in the event of any Transferable Membership being sold, the Club shall be entitled to retain 10% (Ten Percent) plus VAT of the selling price as an administration fee;
- 12.1.6 in the case of the sale of the Transferable Membership, the provisions relating to the refunding of the Annual Subscriptions referred to in Clause 12.1.3 above, shall be applicable and calculated with effect from the date of transfer of the said Membership to the new Member;
- 12.1.7 the recommended selling price of the Transferable Membership shall be set by the Board or the Committee as the case may be;
- 12.1.8 a Transferable Member shall not be entitled to retain his Transferable Membership once the Erf or the Sectional Title Unit to which such

Transferable Membership relates has been sold. Consequently once the Erf or the Sectional Title Unit to which such Transferable Membership relates, has been sold, the Transferable Member shall be obliged to sell such Membership in accordance with the provisions of clause 12.1.4 above;

- 12.1.9 for so long as the Transferable Membership remains unsold, the Transferable Member may retain his Membership of the Club, provided he pays his Annual Subscriptions and other fees timeously.
- 12.2 The Club has the right to add to any of the above rules or to otherwise amend same or to revoke same partly or wholly.
- 12.3 The Club shall have the right to pay to the Association and/or the Developer any amounts that may be owed to them by the Member before making any refund of Annual Subscriptions or amounts received pursuant to the provisions of clause 12.1.4.

13 DISCIPLINE

- 13.1 Should any Member in the opinion of the Disciplinary Committee, commit any breach of the Code and/or the Constitution, Rules and/or Regulations of the Club, fail to pay Annual Subscriptions or special levies, or any other charge due and payable to the Club, or be guilty of improper, dishonest, unsportsmanlike, offensive, unseemly, or objectionable conduct, or conduct likely to reflect discredit on the Club, or its Members as a group, or of conduct that is prejudicial to the interests or the reputation of the Club, whether within the Club's premises or outside them, the Disciplinary Committee shall have the power:
 - 13.1.1 to reprimand such Member; and/or
 - 13.1.2 to deprive such Member of all or any rights and privilege of Membership for such period as the Disciplinary Committee may deem fit; and/or
 - 13.1.3 to suspend such Member during such time period as the Disciplinary Committee may deem fit; and/or
 - 13.1.4 to impose a fine on such Member for such an amount as it may deem fit which shall be a debt owing to the Club and payable on demand; and/or

- 13.1.5 to call upon a Member in writing to resign. If he or she fails to resign within 7 (Seven) days the Disciplinary Committee may expel such Member from the Club; and/or
- 13.1.6 to declare such Member for such period as the Disciplinary Committee shall deem fit ineligible for re-election to any Committee of the Club.
- 13.2 The above-mentioned powers (set out in 13.1.1 to 13.1.6 inclusive) will be exercised only after the Member affected by such disciplinary action has been offered the opportunity to make timeous representations either in person or in writing. At such hearing the Board (if the Handover Date has not occurred yet) or the Disciplinary Committee may appoint an independent chairperson to chair such hearing and the Disciplinary Committee shall determine the procedures to be followed and shall have the power to summon any Member or other person to give evidence for or against such Member, and the Member shall have the right to cross examine such witness, and to tender evidence by himself or herself or anyone else. The Member shall not however be entitled to legal representation.
- 13.3 A Member shall have the right to appeal to the Appeal Committee against any disciplinary steps taken against that Member. Such an appeal shall be lodged in writing with the Appeal Committee within 28 (TWENTY EIGHT) days of the decision of the Disciplinary Committee.
- 13.4 In the event of the suspension or termination of Membership, the Club shall not be under any obligation to reimburse the Member any Annual Subscriptions or fees that have been paid by such Member in respect of any unexpired period for which such subscriptions or fees are applicable.
- 13.5 In the event of the suspension or termination of Membership, the rights of any Family Members, Additional Members and tenant(s) in relation to such Member (and such tenants' family members) shall similarly not be allowed to continue to make use of the Club Facilities and Recreational Facilities until such Member's suspension is lifted or until such Member is reinstated as a member of the Club.

14 ANNUAL GENERAL MEETING

- 14.1 An Annual General Meeting shall be held within a radius of 25km of the Club's club house by no later than the last day of August each year after the Handover Date (i.e. no Annual General Meetings shall be held prior to the Handover Date).
- 14.2 The following business shall be transacted at an Annual General Meeting:
- 14.2.1 to read the notice convening the meeting and to confirm the minute of the previous Annual General Meeting and of any Special General Meeting;
 - 14.2.2 consideration by the Committee of reports with regard to the management and financial situation of the Club;
 - 14.2.3 deliberation on all matters deemed to relate to the well-being of the Club in general;
 - 14.2.4 any matter provided for in the notice of the meeting.
- 14.3 The notice of the Annual General Meeting shall be in writing and shall be posted to all Members at least 28 (TWENTY EIGHT) days prior to the date fixed for such meeting and shall also be prominently and continuously displayed on the Club notice board from the date upon which it was posted until the date of the Annual General Meeting. The accidental omission to post to any Member, or non-receipt by any Member, of his or her notice shall not invalidate a meeting otherwise properly constituted.
- 14.4 A copy of any financial statements and budgets which are to be laid before the Club at the Annual General Meeting shall be sent to every Member not later than 8 (EIGHT) days before the date of the meeting.
- 14.5 Written notice of any motion which the Committee or any Member of the Club may wish to bring before the meeting shall be lodged with the General Manager of the Club not later than 15 (FIFTEEN) days before the date thereof, and in the case of a motion proposed by a Member shall be countersigned by, and express itself to be approved by, not fewer than 4 (FOUR) Members of the Club, all of whom are entitled to vote. Such motion shall be incorporated in the notice convening the meeting if it is received in time and shall be prominently and

continuously displayed on the Club's notice board from the date upon which it is received until the date of the Annual General Meeting.

15 SPECIAL GENERAL MEETING OF MEMBERS

- 15.1 Special General Meetings shall only be held after the Handover Date.
- 15.2 The notice of any Special General Meeting of Members shall be in writing and shall be posted by the Committee to all those entitled to receive it at least 28 (TWENTY EIGHT) days prior to the date fixed for such meeting and prominently and continuously displayed on the club notice board from the date upon which it is posted until the date of the meeting. The accidental omission to post to any Member or non-receipt by any Member of his or her notice shall not invalidate a meeting otherwise properly constituted.
- 15.3 In the case of a meeting requisitioned by the Members as defined in clause 2.34 notice of the date of such meeting shall be posted within 28 (TWENTY EIGHT) days of receipt of said requisition.

16 PROCEEDINGS AT GENERAL MEETINGS OF MEMBERS

The following provisions shall govern the conduct of all General Meetings, whether Annual General Meetings or Special General Meetings (both of which shall only be held after the Handover Date):

- 16.1 A quorum at all General Meetings shall consist of Members (including persons holding proxies on behalf of Members), holding at least 25% of the total votes, to which the Members present, in person or by proxy are entitled.
- 16.2 Should a quorum not be present within a period of 10 (TEN) minutes from the time appointed for such meeting then in the case of:
- 16.2.1 a Special General Meeting convened in consequence of a requisition of members, the meeting shall be dissolved;
- 16.2.2 any other General Meeting, the meeting shall stand adjourned to the same day and hour in the following week, or if that day is a Public Holiday, to the next day other than a Public Holiday, Saturday or Sunday.

- 16.3 The Chairperson as appointed by the Committee shall preside and failing that person his nominee if any (who shall also be a member of the Committee), or such member of the Committee as is deputed thereto by the Committee Members who are present.
- 16.4 Save as otherwise provided in this Constitution all questions arising at such General Meeting shall be decided by a majority vote of those Members present or represented and who are entitled to vote, excluding abstentions and non-votes.
- 16.5 Save for the restrictions contained in clauses 6 and 7 and elsewhere in this Constitution, a Member shall be entitled to one vote.
- 16.6 At a Special General Meeting the Developer shall have 1 (ONE) vote for each unsold Erf, as indicated on the General Plan/s of the Estate, whether or not separately registered in favour of or whether held by the Developer as part of the remainder of the land as defined in the Constitution of the Association, one vote for each unsold Sectional Title Unit and 1 (ONE) vote for each unsold Transferable Membership. A representative of the Developer shall in person, or by proxy be entitled to cast such votes at the relevant General Meeting.
- 16.7 Voting shall be by show of hands, except for decisions concerning questions relating personally to a Member vis a vis the Club, and the election of the Committee, which shall be voted on by ballot.
- 16.8 In the event of an equality of votes, whether by show of hands or by ballot, the Chairperson shall have a second or casting vote in addition to his deliberative vote.
- 16.9 The General Manager of the Club or his deputy shall be the Secretary of the Meeting or another Member thereof designated by the Chairperson.
- 16.10 The Chairperson may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn a meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be

given in the manner as of an original meeting. Save as aforesaid, the Members shall not be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting.

- 16.11 The decisions of the meeting shall be recorded in a Register of the Minutes after confirmation at the next meeting and signed by the Chairperson. The Register shall be kept at the clubhouse where all Members may inspect it, but without removing the Register from its location.
- 16.12 A copy of the minutes of all Committee meetings and General Meetings shall be sent to the Chairperson of the Association.
- 16.13 Any Member in arrears with any payment due to the Club shall be ipso facto disqualified from voting at General Meetings and shall not be eligible to hold office in the Club whilst such payment is in arrears.

17 THE CLUB COMMITTEE

- 17.1 On the Handover Date, the day to day administration, conduct and control of the Club's affairs and all matters pertaining thereto, shall vest in the Management Committee ("**the Committee**") consisting of 9 (NINE) Members to remain in office for one year to be elected by a majority of the Members of the Club.
- 17.2 The Committee may delegate such matters as it deems fit to the full-time administrative staff of the Club including the General Manager thereof.
- 17.3 The Committee shall be composed of:-
 - 17.3.1 a President;
 - 17.3.2 a Vice President;
 - 17.3.3 a Captain;
 - 17.3.4 a Vice-Captain;
 - 17.3.5 a Treasurer;
 - 17.3.6 a Ladies Captain; and

- 17.3.7 3 (THREE) additional Members, one of whom shall be the chairperson of the Recreational Facilities Committee.
- 17.4 The Committee shall elect a Chairperson. A quorum of the Committee shall consist of 5 (FIVE) Members. Should a quorum not be formed as aforesaid, the meeting shall stand adjourned until a time to be decided upon by the Chairperson. All matters at any meeting shall be determined by a majority of those present and voting. In the event of a deadlock, the Chairperson shall have a casting vote.
- 17.5 The Chairperson of the Association shall be entitled to attend all meetings of the Committee in an ex officio capacity. The said Chairperson shall not have the right to vote, shall not count towards the quorum and, shall be entitled to nominate a person to attend on his behalf. Such nominee shall require the Committee's approval.

18 INDEMNITY

- 18.1 Every Director of the Board and every Committee Member as the case may be, shall be indemnified out of the funds of the Club against any liabilities bona fide incurred by them in their respective capacities and in the case of a Committee Member, in his capacity as Chairperson or Vice Chairperson, whether defending any proceedings, civil, criminal or otherwise, notwithstanding the fact that such liability may have been incurred or action instituted pursuant to a failure to follow the procedures provided for in this Constitution, alternatively based upon a misinterpretation of this Constitution.
- 18.2 Every Director of the Board and every Committee Member as the case may be, agent and employee of the Club shall be indemnified by the club against all costs, losses and expenses, including traveling expenses, which such person or persons may have bona fide incurred or become liable for by reason of any contract entered into, or any act or deed done, by such person in the discharge of any of their respective duties, including in the case of a Committee Member, their duties as Chairperson or Vice Chairperson out of the funds of the Club. Without prejudice to the generality of the above, the Club shall specifically indemnify every such person against all losses of whatsoever nature incurred arising out of any bona fide act or deed or letters, faxes or e-mail written by him jointly or severally in connection with the discharge of his duties.

- 18.3 A Committee Member or a Director of the Board in that capacity shall not be liable for the acts, receipts, omissions or defaults of the Auditors or of any of the other Directors or Committee Members, as the case may be, whether in their capacities as Committee Members or as Chairperson or Vice Chairperson, or for any loss or expense sustained or incurred by the Committee or the Board as the case may be through the insufficiency or deficiency of title to any property acquired by the Committee or the Board as the case may be for or on behalf of the Club, or for the insufficiency or deficiency for any loss or damage occasioned by any error of judgment or oversight on the part of the Committee Member or Director of the Board as the case may be concerned, or for any other loss, damage or misfortune whatsoever which shall happen in the execution of any of the duties of the Committee Member or Director of the Board as the case may be concerned or in relation thereto, unless the same should happen through a lack of bona fides, breach of duty or breach of trust or gross negligence of the Committee Member or Director of the Board as the case may be concerned.
- 18.4 Members of the Committee or Directors of the Board as the case may be shall not receive any remuneration for service rendered while holding such position.

19 COMMITTEE NOMINATION AND ELECTION

- 19.1 Each elected Member of the Committee shall be elected for a period of 1 (ONE) year and shall cease to be a Member of the Committee at the conclusion of one Annual General Meeting in the year following the year in which that Member was elected.
- 19.2 Nominations shall be made for the specific designations as set out in clauses 17.3.1 to 17.3.7 (inclusive).
- 19.3 No Member of the Club shall be eligible for election to the Committee unless:
- 19.3.1 such Member has been nominated and seconded in writing as a candidate by two voting Members of the Club;
- 19.3.2 such Member has signified in writing his willingness to accept office if elected;

- 19.3.3 the nomination and acceptance have been delivered to the retiring Committee at least 7 (SEVEN) days before the Annual General Meeting is due to take place;
- 19.3.4 the nomination and acceptance have been continuously exhibited on the notice board of the club at least 28 (TWENTY EIGHT) days prior to the Annual General Meeting;
- 19.3.5 such Member is in good standing and has no overdue debt with the Club.
- 19.4 Returning Members of the Committee (including co-opted Members) who offer themselves for re-election, shall be eligible for re-election, subject to compliance with clause 19.3 above.
- 19.5 The election shall be by ballot upon such terms and conditions as shall be prescribed by the Chairperson in his sole and absolute discretion.
- 19.6 In the event of a vacancy occurring on the Committee for any reason, such vacancy may be filled by the Committee in its sole discretion, by co-option of a Member.
- 19.7 Decisions and acts performed by the Committee after the co-option of a Member will be as valid as if such Member was duly elected in an Annual General Meeting.
- 19.8 The secretarial functions of the Club shall be undertaken by its full time administrative staff.
- 19.9 The election of the Committee shall take place at the Annual General Meeting.

20 DUTIES OF THE BOARD OR THE COMMITTEE

Prior to the Handover Date, the Board shall exercise the following duties. Thereafter, such duties shall be exercised by the Committee:-

- 20.1 meet regularly for the dispatch of the current business of the Club;
- 20.2 ensure that proper records are maintained of the functioning of the Club and proper minutes are kept of its meetings. After the Handover Date minutes of

each meeting shall be approved at each subsequent Committee meeting and thereafter signed by the Chairperson;

- 20.3 represent the Club in law and before any administrative authority;
- 20.4 keep a Register of all the Members, which shall be at the disposal of the Members at all times;
- 20.5 after the Handover Date the Committee shall convene an Annual General Meeting no later than the last day of August of each year in accordance with clause 14.3;
- 20.6 after the Handover Date the Committee shall convene a Special General Meeting in accordance with clause 15.1;
- 20.7 establish or alter Club rules with the purpose of implementing the provisions of the present Constitution and proper functioning of the Club;
- 20.8 cause to be kept proper books of account, and such other registers, books or documents as shall be required by law from time to time;
- 20.9 cause the Club's books of account to be audited by a duly elected Public Accountant and Auditor or Auditors who shall audit the books of the Club at such intervals as the Board or the Committee as the case may be, may require, and at least once in each financial year;
- 20.10 after the Handover Date the Committee shall submit the accounts for the past financial year and the budget for the following year to the Annual General Meeting;
- 20.11 approval of budgets for the following year and the annual financial statements for the preceding year;
- 20.12 maintain a banking or other account in the name of the Club into which all moneys shall be deposited as soon as possible after receipt thereof. All cheques drawn on such account shall be signed by any two of the persons designated as signatories by the Board or the Committee as the case may be;

- 20.13 to invest, lend and deal with any moneys of the Club not immediately required for the purpose of the Club, upon such securities and on such terms as it may think fit, and from time to time to vary transpose or release such investments. Such investments shall be only in the form of bank deposits with bona fide financial institutions and shall not be of a speculative nature;
- 20.14 to borrow or raise money for the purpose of the attainment of any of the Club's objects, and to apply any of the Club's funds or income in the repayment thereof, and also in this connection to formulate and lay down the conditions of issue to Members of founder rights, proprietary rights, or rights of special privileges to be offered to Members in consideration of their contributing money or time towards the attainment of the Club's objects, and it shall be competent for the Board or the Committee as the case may be to create special voting rights for particular classes of Membership so contributing. The borrowing powers conferred in terms of this clause shall be subject to such limitations as are imposed from time to time by the Members in General Meeting.

21 POWERS OF THE BOARD OR THE COMMITTEE

- 21.1 The Board, prior to the Handover Date and thereafter, the Committee shall in addition to the powers specially conferred upon it elsewhere in this Constitution, have the following powers :
- 21.1.1 in the case of the Committee, to fill a vacancy or vacancies in its ranks as may occur in accordance with the provisions of clause 19.6 hereof;
- 21.1.2 to form sub-Committees for special purposes, to delegate to such sub-Committees all or any of the powers and duties of the Board or the Committee as the case may be, from time to time, and to vary the rights and duties of sub-Committees from time to time;
- 21.1.3 to co-opt to the Board or the Committee as the case may be or to any sub-Committee Members of the Club who have particular aptitude or qualifications to serve thereon, or particular enthusiasm for any particular function or task;
- 21.1.4 to make, vary and rescind Rules not inconsistent with the provision of this Constitution for the management of the Club's affairs, the use of its facilities

by its Members and generally for arranging good management and administration of the Club and all its activities and functions;

- 21.1.5 to approve the Membership entrance fees, Annual Subscriptions, green fees, usage fees and any other charges for the different categories of Memberships;
- 21.1.6 to set the recommended selling price for Memberships capable of being sold and transferred;
- 21.1.7 to approve special levies which may be proposed and the manner in which these should be apportioned among Members and the stipulation for payment thereof;
- 21.1.8 to engage employees for the Club, to enter into service contracts with them upon such terms and conditions as it shall deem fit, to control, suspend and dismiss such employees, and to vary their terms of employment from time to time;
- 21.1.9 to apply to any Court, or other authority for the grant, renewal, extension or modification of any license or right that the Club may require from time to time, and to do all such things as are necessary to maintain and protect same;
- 21.1.10 to appoint and employ professional advisers, to determine their remuneration and to vary such appointment from time to time;
- 21.1.11 to institute, conduct, defend, compound or abandon any legal proceedings by or against the Club or its officers, or otherwise concerning the affairs of the Club, and also to compound and allow time for payment or satisfaction of any debts due, and generally to deal with any claims or demands by or against the Club;
- 21.1.12 to refer any claims or demands by or against the Club to arbitration and to perform the award;
- 21.1.13 to vary, alter or change entrance fees, Annual Subscriptions and levies and grant rebates thereof and suspend or defer payment thereof;

- 21.1.14 to regulate and control the management of the Club, to take such action as is necessary to exercise its rights, to discharge its obligations, and to ensure that it complies with the requirements of any law;
- 21.1.15 to draw, endorse, make and execute bills of exchange, promissory notes, cheques, acknowledgements of debt and other negotiable instruments in the name of or on behalf of the Club, and to negotiate and deal with same in its sole discretion, to give receipts, releases, and other discharges for moneys payable to the Club, or in respect of any claims which others may have against it;
- 21.1.16 to establish, support, join or subscribe to Pension, Medical Aid, Retirement and or other Trust funds, Associations or Institutions established for the benefit of the Club generally, the Club in particular, the Members, employees or servants thereof, and their dependants or families, to grant pensions, allowances, grants, gratuities, subsidies and honoraria to such persons, and to do all things which directly or indirectly may improve their working or living conditions;
- 21.1.17 to decide such dispute between Members as shall be referred to it by the Members concerned, provided that any decision reached by the Disciplinary Committee or an independent chairperson appointed by the Board (if the Handover Date has not occurred yet) or the Disciplinary Committee to chair such disciplinary hearing shall be final and binding, unless such matter is taken to the Appeal Committee, in which case any decision reached by the Appeal Committee shall be final and binding;
- 21.1.18 to subscribe to and make payments or donations to charitable or benevolent institutions or for any public or useful object, the total of which payments or donations shall not exceed ½ % (ONE HALF PERCENT) of the total Annual Subscriptions for that year;
- 21.1.19 to provide security for any indebtedness by the Club;
- 21.1.20 to acquire any movable or immovable property on behalf of the Club; provided that the expenditure by the Board or the Committee as the case may be on such movable or immovable property shall be limited to an amount that shall not exceed 10% (TEN PERCENT) of the total Annual

Subscriptions annually, excluding VAT for the current year, unless any greater amount has been approved in the budget for the current year or in the case of the Committee, sanctioned by the Members in General Meeting;

- 21.1.21 in the case of the Committee to sell, lease, alienate or otherwise dispose of part or parts of the movable or immovable properties of the Club as it may deem most beneficial to the Members and to apply the consideration arising therefrom as it may think most advantageous for the Club, but shall not have the power to dispose of movable and/or immovable property of the Club constituting in all more than one quarter of the value of the total assets of the Club unless such sale is authorised by a resolution of voting Members of the Club passed by not less than two-thirds of the votes of voting Members present and voting at a General Meeting of the Club called for the purpose of considering such resolution;
- 21.1.22 in the case of the Board, to sell, lease, alienate or otherwise dispose of part or parts of the movable or immovable properties of the Club;
- 21.1.23 to purchase, hire, take on lease or in exchange or otherwise acquire any movable or immovable property or rights and to sell, dispose of, mortgage, turn to account or otherwise deal with all or any of the movable or immovable property or rights of the Club in accordance with this Constitution. If any agreement of lease should have been entered into by the Club for the lease to it of a Golf Course and/or premises for Club Facilities and/or premises for Recreational Facilities, the Committee shall not have the power either to terminate any such lease before the expiry date thereof, or fail to exercise any right or option which the Club may have to renew such lease, without obtaining the written consent thereto of three-quarters of the total number of Members of the Club;
- 21.1.24 to purchase, hire, provide and maintain all kinds of furniture, implements, tools, utensils, equipment required or which may conveniently be used in connection with the Golf Course, Club Facilities and Recreational Facilities;
- 21.1.25 to borrow or raise money for the purpose of the attainment of any of the Club's objects, and to apply any of the Club's funds or income in the repayment thereof, and also in this connection to formulate and lay down the conditions of issue to Members of founder rights, proprietary rights, or

rights of special privileges to be offered to Members in consideration of their contributing money or time towards the attainment of the Club's objects, and it shall be competent for the Board or the Committee as the case may be to create special voting rights for particular classes of Membership so contributing. In the case of the Committee, the borrowing powers conferred in terms of this clause shall be subject to such limitations as are imposed from time to time by the Members in General Meeting and there shall be no such limitation on the Board;

- 21.1.26 to borrow, collect or raise money in such manner as the Club shall think fit for the sole purpose of carrying out the objects of the Club, and in particular by means of Annual Subscriptions, contributions, levies, entrance fees, green fees, usage fees, caddie fees, loans with or without security and to give security for money by the issue of or upon bonds, debentures or obligations or securities of the Club, or by mortgage or charge upon all or part of the property of the Club;
- 21.1.27 to subscribe to or become Members of or affiliated to any other association or club having objects similar or in part similar to the objects of the Club;
- 21.1.28 to utilise the assets, funds, profits and gains of the Club solely for investment or for the objects of the Club as set out in this constitution. In no circumstances shall same be distributed to the Members;
- 21.1.29 to register where necessary, various service servitudes in favour of the local authority or any other authority so far as this may be required by law;
- 21.1.30 to formulate, to adopt or amend rules, regulations and by-laws of the Club;
- 21.1.31 to subcontract the management of the whole or any part of the operations of the Club to any person or company who or which in the opinion of the Board or the Committee, as the case may be, is suitable for such appointment, subject always to the provisions of the Liquor Act, 1989 and the regulations thereto, if applicable;
- 21.1.32 to do all such other things as may be necessary for the proper carrying out of the objects of the Club;

- 21.1.33 to suspend a Member's voting rights if the said Member is in arrears with any amount for which he is liable under this Constitution ;
- 21.1.34 in the case of the Committee, to decide that any Member of the Committee who has been absent for 3 (THREE) consecutive meetings without prior notice has resigned from the Committee at the end of the third meeting.

22 CLUB RULES AND CODE

- 22.1 Club Rules shall be established by the Board or the Committee as the case may be, with the purpose of implementing the present Constitution and proper functioning of the Club.
- 22.2 Any rule may be made, modified or cancelled by the Board or the Committee as the case may be, by notice to Members in writing, giving the reasons for such change.
- 22.3 Any rule made, modified or cancelled by the Board or the Committee as the case may be, in accordance with clause 22.2 above, shall be immediately applicable.
- 22.4 The Board and the Committee, as the case may be, shall publish the Code and the Club Rules and all amendments thereto on the Club's website and it shall be the responsibility of each Member to ensure that he is familiar with the Code and the Club Rules.
- 22.5 This Constitution and the Rules of the Club shall be binding on all Members of the Club, whether or not such Member has voting rights.

23 FINANCIAL AFFAIRS

- 23.1 The commencement and termination of the financial year shall be determined by the Board or the Committee, as the case may be.
- 23.2 The Annual Subscriptions as set by the Board or the Committee, as the case may be, shall, unless otherwise determined by the Board or the Committee, as the case may be, and communicated to the Members, be fixed for 1 (ONE) year and shall be subject to such changes as determined by the Board or the Committee as the case may be, from time to time. The subscription year shall commence on the 1st of March and end on the last day of February of each year.

- 23.3 The Annual Subscriptions shall have to be paid by way of one lump sum by no later than a date to be determined by the Board or the Committee, as the case may be.
- 23.4 Should a Member's account not be cleared in full then the rate of interest charged shall be that of the prime rate plus 3% per annum levied by the Club's principal banker on overdraft facilities from time to time.
- 23.5 Notwithstanding the provisions of clauses 13.1 and 23.4, and without prejudice to its right to recover interest as set out in clause 23.4, the Board or the Committee, as the case may be, shall be entitled to penalise any Member who fails to pay his Annual Subscription timeously, in an amount to be determined by the Board or the Committee as the case may be, from time to time.
- 23.6 Any suspended Member shall remain bound to pay the full Annual Subscription until he ceases to be a Member, that is, at the termination of his Membership.
- 23.7 In the event that it becomes necessary to institute legal action against a Member due to his failure to pay any monies owing to the Club or for any other reason whatsoever, such Member shall be liable for payment of the Club's legal fees on the scale as between attorney and own client including collection commission.

24 AUDITORS

- 24.1 An Auditor or Auditors shall be elected by the Board or the Committee as the case may be for the then current financial year.
- 24.2 The Auditor(s) shall be eligible for re-election.
- 24.3 Prior to the Handover Date the Auditor(s) shall submit to the Board a written report in respect of the Club's financial position in the preceding year and after the Handover Date such report shall be submitted by the Auditor(s) to the Annual General Meeting.
- 24.4 The Auditor(s) may not be a member(s) of the Board or the Committee as the case may be.
- 24.5 The Auditor(s) shall be registered as a practicing Public Accountant(s) and Auditors for the Republic of South Africa.

25 PROXIES

- 25.1 At any General Meeting a Member may be represented by proxy, provided that such proxy is recorded in writing and clearly identifies the person to whom the proxy is given (who shall be present at such General Meeting).
- 25.2 A proxy may only be given to a Member of the Club who is entitled to vote, or such other person who shall be approved of by the Board or the Committee as the case may be.
- 25.3 Proxies shall be submitted not later than 24 (twenty four) hours before a meeting.

26 RESOLUTIONS SUBJECT TO APPROVAL

- 26.1 It is recorded that resolutions of a General Meeting of the Club or meetings of the Committee, which affect the Association's rights, shall be subject to approval by the Association.
- 26.2 In order for this clause to be amended, added to, altered or varied the same voting requirements and procedures as set out in clause 35 shall be required.

27 OWNERSHIP OF CLUB FACILITIES, GOLF COURSE AND RECREATIONAL FACILITIES

- 27.1 It is recorded that the Developer has bound itself in respect of purchasers of Erven and Sectional Title Units in the Estate and holders of Transferable Memberships to procure that the Golf Course, Club Facilities and Recreational Facilities will be made available to the Club. The Golf Course, Club Facilities and Recreational Facilities as laid out, or to be laid out, are owned by the Developer and do not belong to the Club or its Members.
- 27.2 The Developer may at any time and in its sole discretion, sell or transfer the Golf Course and/or the Club Facilities and/or the Recreational Facilities to any third party or entity. In such event the third party shall assume all the rights and obligations of the Developer under this Constitution.

28 ALTERATIONS AND INTERPRETATION OF CONSTITUTION

- 28.1 Prior to the Handover Date, the Board may alter or amend this Constitution as it in its sole discretion determines appropriate.
- 28.2 From the Handover Date this Constitution except for clause 34.2 may be amended, added to, altered or varied by a majority of three fourths of the total votes to which the Members present are entitled at any General Meeting which may be called in terms of this Constitution, and provided that notice of the intention to amend the Constitution at such Meeting shall have been given in the notice properly convening the same.
- 28.3 If any doubt or dispute shall arise over the proper interpretation of any of the foregoing clauses, the matter shall be referred to the Board or the Committee as the case may be, whose decision shall be final.
- 28.4 Any reference in this Constitution to the masculine gender shall be deemed to include the feminine or neuter gender and vice versa. Any reference to singular shall indicate the plural and vice versa.
- 28.5 If any clause or part thereof is found by any competent court to be defective or unenforceable for any reason whatsoever, the remaining clauses shall continue to be of full force and effect.

29 GUESTS

Members may at the discretion of the Board or the Committee as the case may be, and subject to availability, introduce guests to play on the Golf Course and to utilize the Club Facilities and the Recreational Facilities, subject to the Rules of the Club. The number of such guests may not on any occasion exceed the number permitted in terms of the Rules of the Club.

30 COMPLAINTS AND NOTICES

- 30.1 All complaints and/or suggestions shall be submitted in writing to the General Manager of the Club or his assigned administrative staff who shall submit them to the Board or the Committee as the case may be. The decision of the Board or the Committee as the case may be, shall be final. In no case shall a servant of the Club or Member be reprimanded directly by a Member.

30.2 No paper, advertisements, notices or placards of whatever type shall be displayed on the Club premises without the sanction of the Board or the Committee as the case may be.

31 REVERSION OF MEMBERSHIP RIGHTS

In the event of a Member being expelled by the Club:-

31.1 such Membership shall revert back to the Club, and

31.2 neither the Club, nor the Developer, nor the Company shall be liable to pay to such expelled Member any consideration for such Member's Membership.

32 IMPLEMENTATION

The implementation date of this Constitution shall be 17 March 2021.

33 SUSPENSION OF MEMBERSHIP

33.1 The Members who are owners of Erven on the Estate are aware of the requirement to complete the erection of the dwelling within the time period stipulated in the Association's Constitution or in the Agreement of Sale relating to the purchase of such Erf from the Developer.

33.2 If the Owner Member fails to commence the construction of the dwelling within the time period stipulated in the Association's Constitution or in the Agreement of Sale relating to the purchase of such Erf from the Developer, the Owner Member shall be subject to the Association's rights contained in its Constitution.

33.3 Notwithstanding anything to the contrary foregoing in the event that the dwelling is not commenced as stipulated in clause 33.2 above and/or is not completed within the period stipulated in clause 33.1 above, the rights to the use of the Golf Course, Club Facilities and Recreational Facilities by the Owner Member and Transferable Member (whose Membership is directly related to the purchase of the said Erf) and their Family Members or Additional Member as the case may be, shall, subject to clause 23.6 automatically be suspended until such time as the dwelling has been completed which shall be evidenced by a certificate of completion issued by the Association or such other entity as provided for in the Association's Constitution.

- 33.4 Any Member whose Membership is suspended for any reason whatsoever shall be obliged to pay his Annual Subscription when same becomes due and payable.

34 DISSOLUTION

- 34.1 Prior to the Handover Date, the Board may dissolve the Club as it in its sole discretion determines appropriate.
- 34.2 After the Handover Date the club may be wound up by resolution passed by not less than 75% (SEVENTY FIVE PERCENT) of the total votes to which the Members present in person or proxy at a Special General Meeting called for that purpose of which not less than 60 (SIXTY) days written notice has been given. The quorum for such meeting shall consist of Members entitled to at least 25% (TWENTY FIVE PERCENT) of the total votes to which Members physically present are entitled.
- 34.3 If upon winding up or dissolution of the Club and after satisfaction of all its debts and liabilities there shall remain any assets whatever, the same shall be given or transferred to some other club, company, society or association having objects similar to the Club.

35 EXCLUSION OF LIABILITY AND INDEMNITY

- 35.1 Neither the Club nor the members of the Committee nor the Developer nor its agent or assigns nor the Company nor the members of the Board nor the Association shall be responsible or may be held liable for any loss, damage or injury including consequential losses, suffered by or caused to any person or property anywhere on or about the Golf Course, the Club Facilities, the Recreational Facilities or anywhere else on or about the Estate, whether or not such loss, damage or injury is occasioned by any act or omission of the Club, the members of the Committee, the Developer, its agents or assigns, the Company, the members of the Board or the Association or anyone else for whose action they or any of them would be liable in law, or by reason of vis major, casus fortuitus, rain or other water, riots, strikes, theft or burglary with or without forcible entry, or by reason of any condition on or off the Golf Course or any defective Club Facilities and/or Recreational Facilities or caused by any golfing or other sporting activity carried out on the Golf Course or utilizing the Club Facilities or

Recreational Facilities or anywhere else on the Estate, or by any other cause of whatsoever nature and howsoever arising.

- 35.2 Each Member of the Club shall, at all times, hold the Club and all Members of the Club, all members of the Committee, the Developer, its agents or assigns, the Company, the members of the Board (Directors) and the Association indemnified against and harmless from and shall in no manner whatsoever seek to hold any of them liable for any injury, loss or damage suffered by such Member of the Club, their family members, guests or invitees, as a result of personal injury, death or patrimonial loss arising directly or indirectly from the participation of any person in any game of golf or practice or related activity or use of the Club Facilities or use of the Recreational Facilities or use of the golf cars owned by the Club or any other activity of the Club or any of the Members of the Club or any of the members of the Committee or the Developer or its agents and assigns or the Company or the members of the Board (Directors) or the Association whether or not such injury, loss or damage can be attributed directly or indirectly to negligence of whatsoever nature or degree on the part of the Club, any Member of the Club, any member of the Committee, the Developer, its agents or assigns, the Company, any members of the Board (Directors), the Association, and/or any of their officials, employees and/or agents.