

ANNEXURE 1

RULES AND GOVERNANCE PENALTIES

Herewith the index and reference paragraphs of the Rules and Governance Penalties applicable to Arabella Country Estate for non-compliance of the said Rules. All penalties imposed will be doubled every three months:

1. Domestic Animals (Paragraph 4)

Repeated infringements will result in the owner receiving a warning per letter, after two warning letters have been issued and no action taken by the owner a penalty of R500 will be imposed, doubling every three months.

2. Traffic (Paragraph 7, sub paragraph 7.7, sub paragraph 7.12)

The driving of golf carts on the estate by minors will result in an immediate penalty of R1 000 being imposed and a possible confiscation of the golf cart until such fine has been paid, irrespective of adult supervision or permission. Homeowners failing to register their golf carts with the estate security as per paragraph 7.12 will be liable for a fine of R1 000 pm.

3. Dams and Lagoon (Paragraph 9)

Non-compliance will result in a penalty of R500 being imposed after issuing of a warning letter.

4. Letting and Resale and Commercial Activities (Paragraph 11.1.2, 11.5, 11.6, 11.7, 14.2, 14.3, 14.4 and 14.5)

4.1 Any owner who fails to provide the association with a copy of any lease referred to in rule 11.1.2 will result in a penalty of R1 000 being imposed on such defaulting homeowner. Should the homeowner fail to provide a copy of such lease after imposition of the R1 000 fine, an additional R1 000 will be levied every month thereafter until such time as the homeowner provides the association with such copy.

4.2 Displaying of any signage without the prior approval of the estate manager will result in a penalty of R1 000 per week until such signage is removed.

- 4.3 Advertising by an owner in any magazine, journal, newspaper, including any electronic advertising on social networks and the internet by owners in regard to short term letting of their erven will result in a penalty of R10 000. The association will upon learning of such advertising demand from the owner to remove such advertisements from the media within 14 days of the date of demand. In addition to the penalty of R10 000, the owner will be penalised a further R500 per day for every day the advertisements still appear from the expiry of the 14 day period, in the event of the owner failing to adhere to the demand, until such time as the advertisements have been removed.
- 4.4 Advertising by a tenant in any magazine, journal, newspaper, including any electronic advertising on social networks and the internet by a tenant in regard to short term sub-letting of the erven will result in a penalty of R10 000. The association will upon learning of such advertising demand from the tenant to remove such advertisements from the media within 14 days of the date of demand. In addition to the penalty of R10 000, the tenant will be penalised a further R500 per day for every day the advertisements still appear, from the expiry of the 14 day period, in the event of the tenant failing to adhere to the demand, until such time as the advertisements have been removed.
- 4.5 Any short term letting by an owner of his erven to any third party will result in a penalty of R10 000. The association will upon learning of such short term letting demand from the owner to immediately terminate such short term letting activities and ensure the vacation of the erven by the occupier thereof within 14 days of the date of demand. In addition to the penalty of R10 000, the owner will be penalised a further R1 000 per day for every day that the occupier remains in the property from expiry of the 14 day period, in the event of the owner failing to adhere to the demand, until vacation by the occupier thereof.
- 4.6 Any short term letting by a tenant of the erven to any third party will result in a penalty of R10 000. The association will upon learning of such short term letting demand from the tenant to immediately terminate such short term letting activities and ensure the vacation of the erven by the occupier thereof within 14 days of the

date of demand. In addition to the penalty of R10 000, the tenant will be penalised a further R1 000 per day for every day that the occupier remains in the property from expiry of the 14 day period, in the event of the owner failing to adhere to the demand, until vacation by the occupier thereof.

- 4.7 Any third party occupying an erf in terms of a short term letting arrangement, sub lease agreement and/or short term sub-lease agreement in contravention of these rules, will result in a penalty of R1 000 per day being levied against such occupier for every day that the occupier remains in the property commencing on receipt by the occupier of a notice from the association informing the occupier that he is occupying an erven in contravention of the rules, until the date of such occupier vacates the erven.
- 4.8 The operation of a guesthouse in contravention of these rules, will result in a penalty of R10 000. The association will, upon learning of such guesthouse operations demand from the owner and operator of such guesthouse to immediately cease such operations within 14 days of the date of demand. In addition to the penalty of R10 000, the owner and operator of such guesthouse will be penalised a further R1 000 per day for every day that the guesthouse continues to operate, despite such demand, from expiry of the 14 day period until the cessation of the guesthouse operations.
- 4.9 Any resident who sells or canvasses door to door on the Estate will be fined R1 000 for every such contravention of rule 14.1.

5. Building Requirements, Construction and Building Periods (Paragraph 15, sub paragraph 15.6,)

In the case of having external appliances installed after completion of the dwelling where these appliances are visible such as air conditioners, gas bottles, solar energy installations and washing lines etc. the homeowner will be notified in writing to close off or screen such appliances, failing to do so after a second letter will result in a penalty of R1 000 being imposed, doubling every three months.

6. Building Requirements, Construction and Building Periods (Paragraph 15, sub paragraph 15.8)

Building contractors and sub contractors must abide by the contractors code of conduct as set out in the building guidelines annex hereto marked appendix 3. Any breach of this code will result in a penalty of R1 000 being imposed after fair warning; these penalties will be subtracted from the building deposit lodged at the estate administration office. Continued breach will result in the offending contractor being refused entry to the estate.

7. Building Requirements, Construction and Building Periods (Paragraph 15, sub paragraph 15.10)

Owners of vacant erven who exceed the 2 year building period will be liable to pay a penalty equal to R12 884 per month, commencing on the first day of the month following the expiration of the 2 year building period, which monthly penalty will be levied for every month thereafter until all construction and building operations on such property have been completed. The monthly building penalty will escalate annually by 10%, effective from 1 January 2018. Should the two year period have lapsed with regards to the previous owner whom the successor in title purchased the property from, the successor in title will be granted a 6 month grace period after registration but will not escape liability for the subsequent monthly building penalties. The penalties will therefore be calculated from the 7th month after date of registration. Furthermore, should a period of less than two years have lapsed, on the date of registration of the property in the name of the successor in title, the successor in title will only have the remainder of the original two year period with a minimum of 6 months, to adhere to this penalty clause.

8. Landscaping and Pools (Paragraph 17)

A penalty of R500 will be imposed after two warning letters have been issued. The alternative to this is that the estate management maintain the garden or pool by sending the first warning letter to the homeowner giving him/her 14 days to do the necessary, writing a second letter after 14 days quoting the cost. If the homeowner does not respond a final letter is sent and the estate appointed landscaper does the necessary service and the cost thereof placed on his/her levy account.



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9. Landscaping and Pools (Paragraph 17)

If there is a gazetted notice of water restrictions in the Western Cape, any water management infringements will result in an immediate penalty of R500 being imposed.

10. Electricity Supply (Paragraph 18, sub paragraph 18.6)

Any contravention of the rule will result in an immediate penalty of R1 000 to be subtracted from the building deposit lodged at the estate administration office.

11. D.S.T.V (Paragraph 19)

Failing to remove a non-compliant DSTV satellite dish. A letter is sent to the homeowner warning him/her that the apparatus must be removed within 24, hours failing to comply will result in a monthly penalty of R1 000

12. Damage to Property

Damaging any property on the estate including the golf course, will attract a fine of up to R30 000, plus the cost of repairing the damage and possible loss of income as a result of the damage

13. General Penalties

A R500 penalty per incident will be imposed for all other non-compliance of the said Rules not specifically included in the above. This will be applied after one warning letter.



ANNEXURE 2

LEAVE TO APPEAL AND PROCEDURES OF APPEAL REGARDING PENALTIES IMPOSED

- 1.** Enforcement of Rules, Paragraph 20
- 2.** Any homeowner has the right of appeal against an imposed penalty if he/she feels that a legitimate reason exists for lodging such an appeal.
- 3.** Appellate Procedures:
 - 3.1 The appellate must forward a written objection to a penalty within 7 (seven) calendar days of receipt of the penalty imposed by estate management.
 - 3.2 A committee of three directors appointed by the chairman for that purpose, shall adjudicate upon the issue, at such time and in such manner and according to such manner and according to such procedure as the chairman may direct.