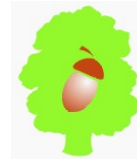


MINUTES OF AGM



**MINUTES OF THE ANNUAL GENERAL MEETING OF
THE GLEN ERASMIA BOULEVARD HOME OWNERS ASSOCIATION
HELD ON 23 MAY 2016 AT 19:00 AT THE DUTCH REFORMED CHURCH,
KEMPTON KRUIJN, FISKAAL STREET, GLEN MARAIS.**

1. OPENING AND WELCOME

- 1.1 The Chairperson opened the meeting and welcomed everybody present.
- 1.2 He informed all the Members present because of the amount of proxies received; the attendance is well over the quorum of twenty percent (25%) required to proceed.

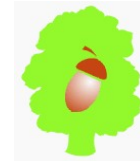
The Chairperson explained the ‘House Rules’ for the AGM comprising the following:

- 1.2.1 Only agenda topics will be discussed. Please allow presentation/feedback prior to questions
- 1.2.2 Quorum – 25% Members present (proxies applicable in need).
- 1.2.3 Voting will occur at logical junctures throughout the meeting.
- 1.2.4 Voting only by Members with **levy accounts paid up @ 23rd May 2016**, either in person, else through signed proxy.
- 1.2.5 Voting will consist of a single vote per Owner/proxy.
- 1.2.6 ***Voting will take the format of a show of hands; if this is inconclusive, a formal count of those in favours or against will be held.***
- 1.2.7 Irrespective of nomination, a Director can ONLY stand if in full compliance with Company regulatory requirements (and obviously be up to date as a voting Member).

The Aim is to close off by 21h00 the meeting.

- 1.3 Lastly the Chairperson reflected upon the proposed agenda; the following topics, which were included:
 - 1.3.1 Approvals,
 - 1.3.2 Security,
 - 1.3.3 Finance and Governance,
 - 1.3.4 The 2016/7 Board Member Nomination and Election,
 - 1.3.5 Estate Rules,
 - 1.3.6 Aesthetics/Gardens,
 - 1.3.7 Municipal Engagement,
 - 1.3.8 General,
 - 1.3.9 Other business (as submitted prior to the AGM)
 - 1.3.10 The 2016/17 Board Announcement,
 - 1.3.11 Meeting Closure.

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2. ATTENDANCE

- 2.1 The managing agent present confirmed 110 Owners signed the attendance register,
- 2.2 It is confirmed that 34 Proxies were received,
- 2.3 Representative of Fidelity Security Services (Security Manager),
- 2.4 Representatives of MC Administration,
- 2.5 Estate Manager and Administrative Secretary.

3. APPROVALS

3.1 APPROVAL OF MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING HELD ON THE 27TH OF MAY 2015.

- 3.1.1 The minutes of the previous meeting **were approved** by a majority show of hands by the Members present.

3.2 CHAIRMAN'S REPORT

- 3.2.1 The Chairman's report was distributed with the notice of the meeting prior to the AGM. The **report was approved** by a majority show of hands by the Members present.

3.3 RECEIPT, CONSIDERATION AND ACCEPTANCE OF ANNUAL FINANCIAL STATEMENTS FOR YEAR ENDED ON THE 29TH OF FEBRUARY 2016, INCLUDING AUDITOR'S REPORT AS PER AGM PACK.

- 3.3.1 The report, as stated above, and sent out prior to the AGM, was approved by a majority show of hands by the Members present.

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4. SECURITY

4.1 OVERVIEW

The following notable incidents/security news was tabled:

- 4.1.1 **No notable** security incidents for the reporting period (major security incidents) occurred– **a great positive achievement,**
- 4.1.2 A number of Member/Resident security rule breaches were experienced (card misuse) and amicably addressed,
- 4.1.3 A number of issues have been experienced regarding children's conduct on the main Boulevard – additional Security and the repositioning of CCTV cameras undertaken to try and identify culprits,
 - 4.1.3.1 This will allow the security to address problems,
 - 4.1.3.2 The Security provider contract was reviewed and recommendations tabled for future use,
 - 4.1.3.3 Weekly Security Portfolio meetings are undertaken (without fail), which are invaluable – Chairperson thanked all involved.
- 4.1.4 RCN - Estate risk review and the review of Security Provider contracts and Service Level Agreements were undertaken during the past year,
- 4.1.5 Estate risk assessment findings were rectified by the Estate.

4.2 SECURITY SERVICE PROVIDER UPDATE

- 4.2.1 The contract with ClickOn was renewed in April 2016 – ClickOn had a second (2nd) year with zero percent (0%) increase in its fees,
- 4.2.2 Fidelity Security Services (FSS) continues. A process is in place to ensure an appropriate skilled workforce (competence and language issues) is deployed (a challenge with disciplinary action, attrition, promotions etc.),
- 4.2.3 The Fidelity Contract is currently on a month-to-month basis after the contract ended on the end of November 2015 and it is to the advantage of the Members.
- 4.2.4 A Request for Proposal process has been undertaken and the table below reflects the results. Due process will be followed before entering into another contract with the service provider.

Service Provider	Proposed Cost/Month
FSS (current)	R212 000
Service Provider 2	R225 000
Service Provider 3	R257 000
Service Provider 4	R269 000

- 4.2.5 The Members were asked to vote to proceed to formalise a contract.
 - 4.2.5.1 The AGM gave a mandate to the Security committee and Board of Directors to proceed with the process in terms of formalising a Security Service Provider Contract.

Chairperson stated that Security is a mind-set and is the responsibility of EVERY Resident.

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5. FINANCE & GOVERNANCE

5.1 VAT DEREGISTRATION

5.1.1 A VAT amount of R135,175.55 was impaired on GEB HOA financials for 2015/6 year at the recommendation of the Auditors,

5.1.1.1 Further information can be provided in need by the Auditors on request,

5.1.1.2 This matter is currently with SARS and the managing agents "MC Admin".

5.2 BUDGET

5.2.1 The Chairperson asked the AGM Members to consider and approve the proposed budget for year ending on the 28th of February 2017 by **show of hands/vote**.

5.2.2 The majority of **members approved** the proposed Budget by show of hands.

5.3 CAPITAL PROJECTS FOR THE YEAR 2016/7

5.3.1 Estate road reparation,

5.3.2 A number of CCTV camera upgrades,

5.3.3 Top and bottom gates generators were replacement (including soundproof enclosures),

5.3.4 Computer equipment for the Office.

5.3.5 **The Budget of R530, 000-00 was allocated for 2016/7 capital projects (included in overall budget).**

5.4 The chairperson proposed a levy increase of R95-00 p/m to R1, 250-00 per month applied retrospectively to the beginning of the Financial Year by a show of hands/vote.

5.4.1 The majority of the **Members approved the proposed Levy increase** and projects by show of hands.

5.5 The chairperson requested Authorisation for the Board of Directors to appoint Auditors for ensuing year by show of hands

5.5.1 The majority of **members approved** that the Board can change Auditors, if need be, by the show of hands.

The Chairperson said it is the opinion of the current Board that the Estate's Financials are healthy and controls are in place to manage the Estate in accordance with good governance principles and practices.

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6. 2016/7 BOARD NOMINATION & ELECTION

6.1 Board Nomination – Election as Board Member conditional on Member meeting Companies Act requirements,

- 6.1.1 Twenty Members were nominated to stand as Directors of Glen Erasmia Boulevard NPC Board (GEB HOA) for 2016/17.

6.2 Nominations – Received from Members and the Members agreeing to re-election,

- 6.2.1 Stefan Maritz,
- 6.2.2 Patrick Brown,
- 6.2.3 Ondene Dippenaar,
- 6.2.4 Niven De Wit,
- 6.2.5 Nic Verhoef,
- 6.2.6 Nico Van Noordwyk,
- 6.2.7 Morne Jacobs,
- 6.2.8 Mona Williams,
- 6.2.9 Matthew Campbell,
- 6.2.10 Magda Stoffberg,
- 6.2.11 Julie Neto,
- 6.2.12 Johan Smit,
- 6.2.13 Fred Rossouw,
- 6.2.14 Emilia Weideman,
- 6.2.15 Dawid Roodt,
- 6.2.16 Christo Bekker.

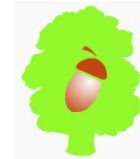
6.3 New Nominations – Received from Members and the Members agreeing to re-election,

- 6.3.1 Vernon Steenbok,
- 6.3.2 Marius Van Wyk,
- 6.3.3 Jacqui Sandow,
- 6.3.4 Brian Venkatas,

6.4 Board Election for the year 2016/17 (formal vote count required),

- 6.4.1 Unanimous consensus was received from the Forum of Members,
- 6.4.2 Majority recommended that all nominated Members be re-elected as Board Members,
- 6.4.3 There was no challenge to this recommendation.

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7. ESTATE RULES

7.1 Estate Rules are drafted with the intent of ensuring a reasonable degree of security, safety, lifestyle and property aesthetics in mind, for ALL Members/Residents (not crafted to victimize any individual),

7.2 The Memorandum of Incorporation (MOI) allows for the Board to periodically reviews Estate Rules insofar as,

- 7.2.1 New requirements,
- 7.2.2 Relevance of the Rules,
- 7.2.3 Penalties applicable.

7.3 A number of adjustments are proposed to Section F, Pt 7. “Penalty Summary”
Excerpt:

Commercial vehicle above 1-tonne parked in open area/drive way.		per week
Contravention of traffic rules or failure to adhere to road signs and speeding.	R 500.00*	per offence
Driving any vehicle or bike on the boulevard lawns (common area) (except during approved functions; which may require parking on the lawn).	R 500.00*	per offence
Excessive noise as result of:- music, electronic instruments, partying or private work at any time as reported by residents (AGM, 15 May 2008).	Refer penalty Schedule	first ‘offence’ – warning
Failing to maintain / buildings and walls neat, tidy and aesthetically pleasing manner after imposed written deadline.	R1,000.00	per month after deadline
Abuse or assault on guards or any other official, employee or Director of the GEB HOA.	To maximum of R5,000-00	per offence – no warning
Contractor using someone else’s access tag.	R500.00	per offence – no warning
Late Building Penalty (warning not applicable).	R1,500-00 or R4,500-00	As per rule

7.4 The chairperson asked for the acceptance of the rules, as per vote of hands.

7.4.1 The majority of members approved the changes as suggested, by the show of hands.

*The Chairperson said that Rules are formulated and promulgated with the intention of an **approach of reasonableness applied** with the application of ALL rules. **Fines are not summarily issued** - Security breaches and offensive language of Staff are the exception. Members, on the purchase of property within the Estate, **enter into a contractual arrangement with the Estate/Company, through which Members agree to abide by the Rules as drafted, and by extension are liable for the conduct of tenants and visitors within the Estate.***

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8. LEGAL

8.1 LEGAL COUNSEL

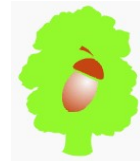
- 8.1.1 The Chairperson said that the Board has engaged with Legal Counsel on three fronts the past year i.e.:
- 8.1.1.1 Stand ownership in regards to Stands (erwen) 870 & 871,
 - 8.1.1.2 Debt Collection of default Members levy payers,
 - 8.1.1.3 Legal challenges against GEB HOA (to be discussed further under other business).

8.2 COMMUNITY SERVICES SCHEMES OMBUD SERVICE (CSOS)

'The alternative and affordable dispute resolution service and regulator of the conduct of parties within community schemes' - Community Schemes Ombudsman Services Act, 2011 (Act 9 of 2011), a mechanism like any other Ombudsman.

- 8.2.1 Gaining traction however many questions/concerns on the CSOS remain. Every member will have to comply with the legislation,
- 8.2.2 Current draft proposals suggest a legal contribution of approximately R15 to R40 monthly per property owner (this was excluded from 2016/17 GEB levy calculation).
- 8.2.3 It will be mandatory for HOA's to collect and pay across when effected (indicated as being from the 1st of September 2016 or when it is Gazetted),
- 8.2.4 Chairperson said the Board is engaged through ARC (Association of Residential Communities) in the context of the CSOS negotiations.

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9. AESTHETICS/GARDENS

9.1 Chairperson said that an annual aesthetics survey on properties was undertaken (detail in Chairperson's Report).

9.1.1 The following results were yielded:

9.1.1.1 AAA (+) - 286 properties graded,

9.1.1.2 AAA - 56 properties graded,

9.1.1.3 AA - 72 properties graded.

The focus for the reporting period was on driveways and gardens.

9.2 Chairperson requested members to vote on a Change of Service Provider for Gardens, if need be, in 2017 by show of hands/vote.

9.2.1 The majority of **members approved** that a change of service Provider can take place, if need be, by the show of hands.

Chairperson said there is a continued focus on maintaining homes at an acceptable/high level of aesthetic appearance; this is reflected in positive commentary from visitors to the Estate and Estate Agent praise and he thanked everyone in this regard.

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10. MUNICIPAL ENGAGEMENT

10.1 STANDS / ERWEN 870 & 871: PART OF THE BOULEVARD

- 10.1.1 Legal engagement to facilitate, the transfer of the ownership from Ekurhuleni to the GEB HOA, and is work in progress,
- 10.1.2 Legal engagement to facilitate the property value calculations by a 3rd party.
- 10.1.3 A communiqué to Members will be send, as required.

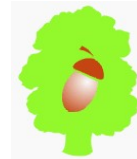
10.2 STANDS / ERWEN 867 & 774 & (809)

- 10.2.1 It was recently determined that above stands (erwen) still belonging to Trans-Acht. (The developer should have dealt with this transfer prior to the final handover)
- 10.2.2 Legal engagement to facilitate, the transfer of the ownership from Trans-Acht to the GEB HOA, and is work in progress,
- 10.2.3 Trans-Acht is in agreement to transfer the stands (erwen).
- 10.2.4 Legal engagement to facilitate the property value calculations by a 3rd party.

10.3 OTHER

- 10.3.1 Chairperson said the Estate Office has good working relationship with key Council Stakeholders in terms of power, water and sewerage.
- 10.3.2 The relationship has improved over past year.
- 10.3.3 Estate Office has called on EMPD to visit the Estate periodically and the EMPD visits the Estate from time-to-time.

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11. GENERAL

11.1 AGM NOTIFICATIONS

- 11.1.1 Chairperson said that AGM Notifications/packs to be limited to electronic distribution in future (current cost estimated to be R36,000-00 for printing & binding of AGM Packs).
- 11.1.2 Chairperson requested AGM to vote, by show of hands, if AGM packs can be distributed in the future by electronic means only.
 - 11.1.2.1 The **majority of members approved** that AGM Packs can be distributed electronically only in future, by the show of hands. Only few packs will be made in hard copy.

11.2 VODACOM LAMPOSTS SIGNAL AUGMENTATION

- 11.2.1 Chairperson said that the construction and that the lampposts constructions are underway at the bottom gate and Zandvliet/de Wetshof intersection. The objective was to improve the cellular reception of the telecom service provider within Estate.
- 11.2.2 A Rental agreement has been concluded with Vodacom, which will generate revenues of approximately R2, 000 per month to GEB HOA, power consumption is metred and charged separately on a monthly basis.

11.3 MTN LAMPOSTS SIGNAL AUGMENTATION

- 11.3.1 Chairperson said that the lampposts constructions are delayed. The objective was to improve the cellular reception of the telecom service provider within Estate.
- 11.3.2 A Rental agreement has been concluded with MTN, which will generate revenues of approximately R2, 000 per month to GEB HOA, power consumption is metred and charged separately on a monthly basis.

11.4 FIBRE TO THE HOME (FTTH)

- 11.4.1 Chairperson said that in connection with high speed internet access, the HOA has been approached by a number of Service Providers with discussions ongoing.
- 11.4.2 A Proposal for FttH engagement for Physical fibre infrastructure to be deployed and maintained by 'LinkAfrica' / SisweConnect is on the table.
- 11.4.3 LinkAfrica utilise a patented sewerage fibre deployment process that eliminates up to sixty percent (60%) of traditional trenching.
 - 11.4.3.1 It will bear no cost to the GEB HOA apart from the ISP connection cost to the Property; which is for the Members own account.
- 11.4.4 This will be open to all Internet Service Provider's,
 - 11.4.4.1 Felebanet will market the GEB to ALL the ISP's as required.
 - 11.4.4.2 Felebanet will partner with the Estate Management to market to all residents.
- 11.4.5 Chairperson said that the residents will deal directly with the ISP of their choice.
- 11.4.6 The user/s monthly contractual agreement is directly with the ISP.
- 11.4.7 Chairperson said that a Memorandum of Understanding is required by the HOA to move forward.
- 11.4.8 Chairperson requested AGM to vote by **show of hands** whether the HOA can proceed with Felebanet in negotiations on FttH.
 - 11.4.8.1 The **majority of members approved** that HOA can continue with negotiations and to proceed with the reticulation of the FttH routes.

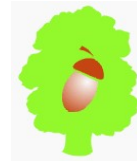
11.5 OCCUPATION HEALTH AND SAFETY (OHS) ACT COMPLIANCE

- 11.5.1 Chairperson comment that an independent company was approached to assess the compliance of the GEB HOA to the OHS Act.
 - 11.5.1.1 GEB HOA Board engaged with HealthandSafety@myestates for a twelve (12) months.

11.6 GEB WEBSITE

- 11.6.1 Chairperson observed that an updated Glen Erasmia Website is available as from the beginning of August 2015, with all relevant estate documents are available on the Website.

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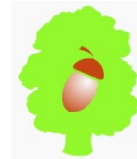


12. OTHER BUSINESS: ADDITIONAL BUSINESS RAISED PRIOR TO THE AGM (SEVEN DAYS PER NOTIFICATION)

12.1 Legal Matter between Member(s) and GEB HOA

- i. Chairperson said the context was circulated per communique and included in the Chairperson's Report. At the previous AGM in 2015, the AGM gave approval to go legal on the case.
- ii. This is a long standing matter arguing victimization, inconsistent application of the rules, Estate mismanagement etc.
- iii. The challenge is assumed to be based on information gleaned from Ekurhuleni Council and Google Earth.
- iv. Two 'options' were tabled by Member concerned to 'resolve' matter.
- v. Mr. Nico Van Noordwyk then addressed the meeting in regards to the matter and asked for questions from the floor. He was accompanied by the Attorney on record, Mr. AJ Van Rensburg (AJVR).
- vi. Question – What is it going to cost the Estate to engage in legal action?
- vii. Answer: AJVR: A full legal action can amount to about R200, 000-00.
- viii. Question: Can the Estate prove the money can be recovered?
- ix. Answer: AJVR: The case will seek the highest recovery level.
- x. Question: What are the consequences if practical, if HOA loose the case?
- xi. Answer: AJVR: One of the options will be to seek a Perpetual Silence Application.
- xii. Question: What if unsuccessful with the case?
- xiii. Answer: AJVR: If unsuccessful, one will have to reconsider the MOI.
- xiv. One resident said that "this should be stopped!"
- xv. The Chairperson (Matthew Campbell) said they were cautioned not to make any defamatory statements.
- xvi. Question: Mr Meyer: If such a process is going on, The Rules should be taken against the excessive cost incurred.
- xvii. Answer: AJVR: In this case the Rule is challenged. The relationship between the owner and HOA is that the Board can take binding decisions. If there is a dispute, a dispute can be formalised.
- xviii. A question also came from the audience in regards to the position of residents in regards to the taking of pictures of people's residences and the possibility that children can be photographed. No formal answer was provided to that.
- xix. Question: Mr. V Steenbok: Can an individual also proceed in an individual legal process?

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- xx. Before this question could be formally answered, a resident (**Lessee**) came to the fore, introducing himself as Mr. Bobby Scott, talking on behalf of his brother, Mr. Greg Scott.
 - a. He said and admitted that he is an alcoholic, but that he understands what is going on, (**he appeared inebriated, strong smell of alcohol was present and spoke with a slur**).
 - b. They have a case that can be taken against the GEB HOA Board and that a great amount of work already went into it.
 - c. Mr. B. Scott said that there is a legal case going on. Once that happens, they will challenge the HOA.
- xxi. Upon request of the majority of the Members, after insulting Mr. Stoffberg, and others, Mr. B. Scott left the meeting.

12.1.1 An unanimous approval was given to the Board to proceed with legal action.

12.2 Zimbali HOA Incorporation into GEB HOA (previously approved by GEB HOA @ AGM)

- 12.2.1 Zimbali is for all practical purposes no longer an operating HOA: However, they have an HOA within an HOA.
- 12.2.2 The Zimbali HOA brought to the table again the possibility of dissolving their HOA, due to time that has passed, since GEB approval to proceed with the action and due to double levies that are paid as well as the following:
 - 12.2.2.1 The electric fence has been disconnected,
 - 12.2.2.2 Security gates have been permanently opened,
 - 12.2.2.3 There is free access to the properties, and security patrols take place in line with the strong security precautions associated with the remainder of GEB HOA security,
 - 12.2.2.4 Unnecessary duplication of costs and inefficiencies in collecting of arrear levies by Zimbali defaulting Members,
 - 12.2.2.5 Current Zimbali levy largely assigned to the managing agent fees,
 - 12.2.2.6 Engagement held between Zimbali HOA representatives and GEB HOA Board.
- 12.2.2.7 The Chairperson mentioned that due diligence will be applied in the process.
- 12.2.2.8 Proposed Way Forward will include:
 - 12.2.2.8.1 Determine additional insurance overheads,
 - 12.2.2.8.2 Determine additional management overheads,
 - 12.2.2.8.3 Determine additional cost overheads,
 - 12.2.2.8.4 Agreement by Zimbali Members/Owners to cover an over and above levy charge should additional costs be determined (current and in future).
- 12.2.3 The Chairperson requested the Members to vote by show of hands whether the process can proceed with due diligence exercised.
 - 12.2.3.1 The majority of **members approved** that the process can proceed by show of hands.

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13. CONCLUSION

- 14.1 The 2016 /17 Board Members- Announcement and Acceptance
 - 14.1.1 The Chairperson requested that the newly elected Board members to please stand up, given that they have been unanimously elected.
- 14.2 The Chairperson thanked all Board Members for their time and effort in managing the affairs of GEB HOA, in particular Johan Stoffberg who resigned midterm and Hans van der Merwe electing not to stand again,
 - 14.2.1 He thanked them for the years of dedication to GEB HOA Boards and serving the community.
- 14.3 He congratulated the Maintenance employees (Mr. Owen and Mr. Sello).
- 14.4 They have successfully completed the following courses;
 - 14.4.1 Basic First Aid,
 - 14.4.2 Fire Fighting, and
 - 14.4.3 Health and Safety Representative.
- 14.5 He lastly thanked the Estate Manager, Mrs. Greta Bezuidenhout for her dedication, long hours and commitment that has changed the face of Glen Erasmia Boulevard.
- 14.6 As the outgoing Chairperson – a BIG thank you
- 14.7 He also extended thank you's to:
 - 14.7.1 Board Members,
 - 14.7.2 Fidelity Security Services,
 - 14.7.3 Estate Manager & Team,
 - 14.7.4 Kempton Kruin for the facilities.
 - 14.7.5 The Managing agents - MC Administration & Staff,
 - 14.7.6 The Auditors,
 - 14.7.7 All the Members of the GEB HOA for their attendance and continued support.
- 14.8 Mr. T. Lowther, on behalf of the Members of the Glen Erasmia Boulevard Home Owners Association, then thanked and applauded the GEB HOA Board for the diligent work done.
- 14.9 The meeting was officially closed at **20:35** on the **23rd** of **MAY 2016**.

CHAIRPERSON _____

DATE: _____