

MINUTES OF THE 6<sup>TH</sup> ANNUAL GENERAL MEETING OF THE PEZULA HOTEL  
SECTIONAL TITLE SCHEME BODY CORPORATE HELD AT CAPE TOWN ON 12 APRIL  
2016 AT 11H15

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**PRESENT:** RAIMUND POULIART  
WARREN KILBORN  
CLAUS MARTIN  
BENITA FORBAY  
KAREN FORBAY  
SAUL BERMAN  
GEORGE LYMBEROPOULOS  
JOHAN RAUTENBACH  
ECKARD MARSHING  
DELAREY FERREIRA  
TRACY RUSHTON  
JACO NIEMAND

**PROXIES:** CATMECH PROPERTIES (R POULIART)  
PETER TING (R POULIART)  
G ZHANG (J NIEMAND)  
D & M BAKER (R POULIART)  
WHALE ROCK TRUST (R POULIART)  
SPHERIS FAMILY TRUST (G LYMBEROPOULOS)  
J LASKARIDES TRUST (R POULIART)  
POWER CONSTRUCTION (PTY) LTD (R POULIART)  
PHAMBILI INVESTMENTS 119 (PTY) LTD (R POULIART)  
ANNETTE VAN DER LAAN TRUST (R POULIART)  
A SKOGSTAD (R POULIART)  
H ROHDE (R POULIART)  
H ZASTRAU (R POULIART)  
RM RUSHTON (T RUSHTON)  
MIDNIGHT STORM INVESTMENTS (PTY) LTD (R POULIART)  
CORAL LAGOON INVESTMENTS 92 (PTY) LTD (R POULIART)  
T DEVONPORT (R POULIART)  
DOMAINE DE ROSIERE (FRANSCHOEK) (PTY) LTD (R POULIART)  
THE GARDEN ROUTE TRUST (R POULIART)  
W GARTLAND (R POULIART)  
J RUANE (R POULIART)  
PLATINUM EDGE (PTY) LTD (R POULIART)  
RD WELLS (R POULIART)  
P ZUERCHER (R POULIART)  
J VAN ZIJVERDEN (R POULIART)  
B CUNNINGHAM (R POULIART)

## **1. OPENING & CONSTITUTING OF MEETING**

The Chair welcomes all and thanks Mr Berman for hosting the AGM.

In terms of a Resolution passed at the preceding Special General Meeting approving the venue of the AGM, and as a quorum is present, the meeting is duly constituted and convened at 11h18.

## **2. CHAIRMANS REPORT**

The Chairman's Report was circulated with the Agenda and read by all in attendance. There are no questions or issues raised.

## **3. MINUTES OF THE PREVIOUS AGM**

The minutes of the AGM held on 16 April 2015 is approved as approved, ratified and confirmed without corrections. Proposed by C Martin and seconded by G Lymberopoulos.

## **4. MATTERS ARISING**

None.

## **5. INSURANCE OF THE SCHEME**

At the previous AGM assurance was issued that insurance is in place. No specific details provided only that the units were insured for R1.5 million each, being the value of the initial investment. In preparation of the AGM the Chairman contacted the broker and was advised that he no longer performs this function and that a new broker was appointed. The Chair obtained the details of the new brokers and made contact in order to obtain confirmation and insurance details. The Chair was advised that the units were insured but that the broker did not have the mandate to disclose privileged information to the Body Corporate. Details of the insurance is therefore not clear and not known. Details such as beneficiaries of the insurance policy also unknown. It is recorded that owners have a right to the information in terms of the Access to Information Act and that there is a duty on owners to mitigate any risk. If there are no confirmation of proper and sufficient cover, it is the duty of the owners to put this in place.

It is agreed that the unit owners should have access to this information and that the unit owners must be involved and advised of changes in operators, insurance, etc.

Suggestion that Mr Niemand write a letter to the insurance brokers to request this information. Letter to be in the form of a demand for such information to be released within a period of 7 (seven) days. In the event of no response it is recommended that unit owners obtain their own insurance.

**RESOLVED THAT MR NIEMAND WILL SENT A LETTER GIVING 7 DAYS FOR INSURANCE INFORMATION TO BE DISCLOSED. INDIVIDUAL OWNERS ALSO TO APPROACH THE INSURANCE BROKERS FOR DISCLOSURE OF INFORMATION AND TO INSURE THEIR UNITS.**

**6. RATES & TAXES**

It is agreed that item 10 of the Agenda be discussed prior to approval of financial statements.

The Chair tables correspondence that, in order to avoid unit owners being blacklisted, it is recommended that they pay outstanding rates and taxes as, ultimately, this is the responsibility of the owners regardless of the negotiations with the Hotel owners. An updated list of outstanding names are available from CJ Ballan Attorneys and can be obtained from the Chairman. It is recommended that unit owners contact CJ Ballan Attorneys first to determine the correct outstanding rates and taxes prior to making payment. Unit owners have until 18 April 2016 to pay outstanding rates and taxes.

Recommended that, going forward, the unit owners arrange with the Municipality direct regarding payment of rates and taxes.

**7. APPROVAL OF FINANCIAL STATEMENTS**

Financial statements and audit performed by HC Havenga.

Approximately R41,000 in bank with outstanding levies totalling R24,000.

Noted that interest is not charged on outstanding levies and **RESOLVED THAT A LETTER OF DEMAND BE SENT FOR OUTSTANDING LEVIES TO BE PAID WITHIN 7 (SEVEN) DAYS FROM DATE OF LETTER OF DEMAND.**

Proposed that a firm specialising debt collecting be appointed. Details of such a firm to be given to the Secretary by Mr Berman.

**RESOLVED THAT COLLECTION ATTORNEYS BE APPOINTED TO HANDLE OUTSTANDING LEVY COLLECTION.**

**RESOLVED THAT THE ANNUAL FINANCIAL STATEMENTS AS AT 29 FEBRUARY 2016 IS APPROVED, RATIFIED AND CONFIRMED.**

**8. APPOINTMENT OF AUDITOR**

The re-appointment of HC Havenga as auditor for the ensuing year is approved, ratified and confirmed.

## **9. APPOINTMENT OF SECRETARY**

The re-appointment of Maggie Zeelie as secretary to the Body Corporate for the ensuing year is approved, ratified and confirmed.

## **10. BUDGET**

Levies are enforceable by law. Levies to be charged at an amount based on the participation quota of each unit.

Budget to make provision for maintenance of properties, legal fees, possibly insurance and any other unforeseen expenses and therefore a reserve fund is to be established for any such contingencies.

A levy of R2,000 per unit based on 64m<sup>2</sup> will have projected income of R300,000 which will cover any contingencies. Suggestion is to look at a monthly levy instead of R1,000 current levy per annum. If the class action participants are successful in their liquidation application, the Body Corporate will have to take over responsibility of all common ground, etc.

Recommendation that levies be increased to about R500 per month (approximately R6,000 per annum adjusted according to participation quota). The Body Corporate has the right to raise special levies if needed and may raise this by calling a special meeting for this purpose.

Increase in levies to be properly communicated to members and it needs to be explained that the increase is substantial due to the fact that the Body Corporate is unaware of what expenses are currently being paid by the operator and that, based on reneging on agreements and promises, the unit owners need to be make provision for protection of assets. Levies are payable within 7 days of presentation of levy invoices and the consequences of non-payment is legal proceedings and costs of such proceedings for their own account.

**IT IS RESOLVED BY UNANIMOUS DECISION THAT THE TRUSTEES BE MANDATED TO PREPARE AN APPROPRIATE BUDGET AND DETERMINE THE LEVIES FOR THE ENSUING YEAR.**

## **11. CONDUCT AND MANAGEMENT RULES**

**RESOLVED THAT MR NIEMAND BE APPOINTED TO AMEND THE CONDUCT AND MANAGEMENT RULES (CONSTITUTION) OF THE BODY CORPORATE. MR NIEMAND WILL PRESENT, DURING THE NEXT 12 MONTHS, TO THE TRUSTEES A DRAFT WHICH THE TRUSTEES WILL CIRCULATE TO MEMBERS FOR COMMENT. A SPECIAL MEETING WILL BE CALLED TO ADOPT THE AMENDED CONSTITUTION.**

A copy of the current rules (constitution) is to be circulated to the members.

**12. GENERAL**

Legal fees in the budget and projections are solely for the purpose of legal matters within the Body Corporate, e.g. amendment of Constitution. Any legal matters outside the scope of the Body Corporate are not included.

**13. ELECTION AND APPROVAL OF NEW TRUSTEES AND CHAIRPERSON**

Trustees K Martin, W Kilborn and R Pouliart avail themselves for re-election as trustees.

S Berman is nominated as a co-trustee.

**RESOLVED THAT K MARTIN, W KILBORN, R POULIART AND S BERMAN ARE APPOINTED THE TRUSTEES FOR THE ENSUING YEAR. THE TRUSTEES ACCEPT THEIR APPOINTMENT.**

**RESOLVED THAT R POULIART IS REAPPOINTED CHAIRPERSON. R POULIART ACCEPTS THE APPOINTMENT FOR ONE MORE YEAR.**

The Trustees are thanked for their hard work and commitment during the past year.

Gratitude and thanks is expressed to Mr Niemand for his continued support and hard work.

**14. CLOSE OF MEETING**

The Chair thanks all for attending the meeting and the meeting is closed at 12h30.

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CHAIRMAN