

**SECTION 21 COMPANY
REPUBLIC OF SOUTH AFRICA
COMPANIES ACT 1973**

ARTICLES OF ASSOCIATION OF A COMPANY

**NOT HAVING A SHARE CAPITAL
NOT ADOPTING SCHEDULE 1
SECTION 60(1): REGULATION 18**

**GONDWANA GAME RESERVE HOME
OWNERS ASSOCIATION (PROPRIETARY)
LIMITED**

(Reg. No: 2007/025717/08)

(ASSOCIATION INCORPORATED UNDER SECTION 21)

"Chairman"	The chairman of the board of directors;
"Company"	Gondwana Game Reserve Home Owner's Association;
"Developer"	Gondwana Game Reserve (Pty) Ltd (Reg No: 2004/023152/07) and its successor-in-title;
"Development Period"	The period between the establishment of the Company until all improvements on the Properties have fully developed;
"directors", board of directors" and "board"	The directors for the time being of the Company
"General Meeting"	The annual general meeting or an extraordinary general meeting of the Company as the case may be;
"Gondwana"	Farm Gondwana Game Reserve No. 376
"Home Owner's Association"	Gondwana Game Reserve Home Owner's Association;
"in writing"	Written, printed or lithographed or partly another, and other modes of representing producing words in a visible form;
"Member"	A Member of the Company;
"Memorandum"	The Memorandum of Association of the Company;

"Owner"	A registered Owner of a Property who by virtue of such Ownership is also a Member;
"Property"	Any portion of the Reserve intended for use as a private dwelling;
"Rules"	the Conduct Rules laid down by the Developer from time to time for the use, enjoyment and management of the Development and incorporating the Architectural Guidelines, as referred to in these Articles.

2. MEMBERSHIP

- 2.1 Membership of the Company shall be limited to the Developer in its capacity as such, and to any other person who, in terms of the Deeds Registries Act, is reflected in the records of the Deeds Office concerned as being the registered owner of any Property.
- 2.2 Where any Property in the Development is owned by more than the owner, all the registered owners of that Property shall together be deemed to be one Member of the Company; provided however that all co-owners of any such Property shall be jointly and severally liable for the due performance of any obligation to the Company.
- 2.3 When an Owner becomes the registered owner of any Property in the Development, he shall ipso facto become a Member of the Company, and when he ceases to be the owner of any such Property he shall ipso facto cease to be a Member of the Company. An owner cannot resign as Member of the Company.

- 2.4 No Member shall let or otherwise part with occupation of any Property in the Development, whether temporarily or otherwise, unless he has agreed in writing with the proposed occupier of any such Property as a stipulation alteri in favour of the Company that such occupier shall be bound by all the terms and conditions of the Memorandum and Articles of Association of the Company, and such written agreement is lodged with the Company prior to the proposed occupier taking occupation of the Property in question.
- 2.5 Should a member wish to rent his property out he will be obliged to make use of the rental pool system that will be established by the Developer.

3. ANCILLARY OBJECTS OF DEVELOPERS AND HOME OWNERS' ASSOCIATION

The ancillary object of the Home Owner's Association shall be –

- 3.1 To promote and conserve fauna and flora on the Property and the area known as the Gondwana Game Reserve. Furthermore to preserve the Property and the Development as a sanctuary for fauna and flora;
- 3.2 To promote the common interest of all the Members in regard to the protection and conservation of wildlife and flora, within the Property and the Development;
- 3.3 To maintain general security.

4. MANAGEMENT OF GONDWANA GAME RESERVE

- 4.1 It is specifically recorded that the Developer shall own and be responsible for the Management of Gondwana Game Reserve and its wildlife, including the appointment of all staff in respect thereof.

- 4.2 Two Directors of the Home Owner's Association (as specified in Clause 7) appointed by the Members shall represent the Home Owner's Association on the Steering Committee together with 2 (TWO) representatives appointed by the Developer and a single representative from the Tourism Association.
- 4.3 The Steering Committee's common goal and objective is to further the objects of the Home Owners' Association and to afford them the opportunity to voice their opinion on the affairs of Gondwana.
- 4.4 All proceedings of the Steering Committee shall be conducted on a consensual basis in the sense that a resolution shall only be duly passed if all representatives serving on the Steering Committee have voted in favour thereof. The required quorum for a meeting of the Steering Committee shall be all of the representatives referred to in clause 4.2 above.

5. SERVICE CHARGES

- 5.1 Service charges will be payable by the members for the purpose of meeting reasonable expenses for the upkeep and maintenance of Gondwana Game Reserve. It is recorded that the service charges payable, as determined by the current management budget, amounts to R1 890-00 (One Thousand Eight Hundred Ninety Rand) per month per property as from 1st of January 2010. The Service Charges will increase annually by no more than the South African CPI (Consumer Price Index) plus 5% (five percentage points). Any proposed increase exceeding the aforementioned limits and/or the levying of an ad hoc special service charge must be previously determined and sanctioned by the Steering Committee in order to be enforceable.

- 5.2 Every service charge shall be payable in equal monthly instalments, due in advance on the first day of each and every month of each financial year, which shall be collected by way of an irrevocable debit order signed by each Member in favour of the Home Owner's Association.
- 5.3 The Developer shall be empowered, in addition to such other rights as the Company may have in law against its Members, to determine the rate of interest from time to time chargeable upon arrear service charges; provided that such rate of interest shall not exceed the rate laid down in terms of the Usury Act No 73 of 1968, as amended.
- 5.4 No Property in the Development shall be capable of being transferred without a certificate first being obtained from the Developer confirming that all the service charges and interest have been paid up and the proposed transferee consents and agrees in such a manner as the Home Owner's Association may require to become and remain a Member of the Home Owner's Association for the duration of his ownership of the Property.
- 5.5 Should any Member be a corporate body, any change in ownership of such corporate body shall be notified in writing to the Home Owner's Association within 21 (TWENTY ONE) days of such change of ownership.
- 5.6 The Developers together with the Steering Committee will continually assess any income generated on Gondwana Game Reserve outside of the Home Owner's Association and determine any necessary levy contribution for the upkeep and benefit of the Reserve.

6. CONDUCT RULES

In addition to the restrictions imposed by relevant approving authorities, the Steering Committee shall be entitled to, from time to time, make Conduct Rules to which all the Members will be bound.

7. ARCHITECTURAL GUIDELINES

Prior to commencing the building or any improvements on the property, the Home Owner hereby undertakes to abide by all the provisions as set out in the Architectural Guidelines.

8. BUILDING CLAUSE

8.1 The Home Owner shall within 4 (FOUR) years after registration of transfer, erect and complete a dwelling house on the property in accordance with the Architectural Guidelines and the Gondwana Design Review Panel, as well as to the satisfaction of the Mossel Bay Municipality. Once construction of the dwelling house has commenced it must be finished within 12 (TWELVE) months from the date of commencement.

8.2 Should the Home Owner fail to comply with the provisions of clause 8.1, the Developer shall be entitled to give the Home Owner 120 (one hundred and twenty) days notice in writing to commence the erection of such dwelling house and if the Home Owner fails to comply with such notice the Developer shall forthwith be entitled (but not obliged) to repurchase the property from the Home Owner at the same price at which the property was sold to the Home Owner.

8.3 Should the Developer elect not to exercise his/her rights in terms of clause 8.2 above, the Home Owner shall be obliged to pay triple the levies as determined by the Developer.

9 DIRECTORS – REPRESENTATION ON BOARD

- 9.1 Subject to the provisions of the Act, there shall be a board of the directors of the Company which shall consist of not less than 2 (TWO) or more than 5 (FIVE) directors.
- 9.2 The first directors shall be appointed in writing by a majority of the subscribers to the Memorandum of Association but until directors are so appointed and whether or not the directors have been named by a majority of the subscriber of the Memorandum, every subscriber to the Memorandum shall be deemed for all purposes to be a director of the Company.
- 9.3 The Developer shall however have the right to appoint 2 (TWO) Directors and shall have the right to remove and replace such directors on written notice to the Company. Any other director to be appointed to office shall be elected by the Members in general meeting, which shall not be less than the same number of Directors as appointed by the Developers.
- 9.4 A director need not himself be a Member of the Company. A director however, by accepting his appointment to office as such, shall be deemed to have agreed to be bound by all the provisions of the Memorandum of Articles of Association of the Company.

10. POWERS OF DIRECTORS

- 10.1 Subject to the provisions hereof, the directors shall manage and control the business and affairs of the Company, and shall have full powers in the management and direction of such business and affairs.

- 10.2 Save as specifically provided herein, the directors shall at all times have the right to engage, on behalf of the Company, the services of accountants, auditors, attorneys, advocates, architects, engineers or any other professional firm or person or their employees whatsoever for any reasons deemed necessary by the directors and on such terms as the directors shall decide.
- 10.3 The board of directors shall have the right to co-opt onto the board any person or persons which persons need not be Members of the Company.

11. ALIENATION

- 11.1 The provisions of this article shall apply mutatis mutandis to any alienation of an undivided share of the Property or sale of share capital / Members interest of a owner of property.
- 11.2 No Member shall let or otherwise part with the occupation of his Property whether temporarily or otherwise unless the proposed occupiers have agreed to be bound by these Articles and Rules.
- 11.3 The registered Owner of any Property is not entitled to resign as a Member of the Home Owner's Association.
- 11.4 The rights and obligations of a Member shall not be transferable.

12. BORROWING POWERS

The directors shall not have the power to borrow money or to mortgage or bind the Company's property or any part thereof.

13. PROCEEDINGS OF DIRECTORS

- 13.1 The directors may, subject to the provisions of these Articles, meet together to attend their business, adjourn and otherwise regulate their meetings as they think fit, subject to the provisions of the Company's Act.
- 13.2 Provided an adequate amount of directors have been appointed, the quorum for the holding of a meeting of the directors shall be 2 (TWO) present personally provided that should there be any equality of votes for and against any resolution, the resolution shall be deemed to have been defeated.
- 13.3 The directors shall cause the minutes of each meeting to be kept in accordance with section 204 of the Act, which minutes shall be reduced to writing and certified as correct by the Chairman as soon as reasonably possible after such meeting. All minutes of meetings of the board of directors shall, after certification, be placed in a director's minute book – which shall be kept in accordance with the applicable provisions of the Act.
- 13.4 Subject to the provisions of these Articles, the proceedings of any meeting of the board of directors shall be conducted in such reasonable manner and form as the chairman of the meeting shall direct.
- 13.5 A resolution signed by all the directors shall be valid in all respect as if it had been passed at a meeting of the board of directors duly called constituted.

14. GENERAL MEETING

- 14.1 The Company shall hold its first annual meeting within 18 (EIGHTEEN) months after the date of its incorporation and shall thereafter in each year hold an annual general meeting; provided that not more than fifteen months shall lapse between the date of one annual general meeting and that of the next and that an annual general meeting shall be held within nine months after the expiration of the financial year of the Company.
- 14.2 Other general meetings of the Company may be held at any time.
- 14.3 Annual general meetings and other general meetings shall be held at such time and place as the directors shall appoint or at such time and place as is determined if the meetings are convened under section 179 (4), 181, 182 or 183 of the Act.

15. NOTICE OF GENERAL MEETINGS

- 15.1 An annual general meeting and a meeting called for the passing of a special resolution shall be called by not less than 21 (TWENTY ONE) clear days written notice and any other general meeting shall be called by not less than 14 (FOURTEEN) days clear notice in writing. The notice shall be exclusive to the day on which it was served or deemed to be served and of the day for which it is given, and shall be given in a manner, if any, as may be prescribed by the Company in General meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company; provided that a meeting of the Company shall, notwithstanding the fact that it is called by shorter notice than that specified in this article, be deemed to have been duly called if it is so agreed by a majority in number of the Members having a right to attend and vote at the meeting, being a majority holding not less than 95% (NINETY FIVE PERCENT) of the total rights of all the Members.

15.2 The accidental omission to give notice of any particular Member or Members shall not invalidate any resolution passed at any such meeting.

16. PROCEEDINGS AT GENERAL MEETINGS

16.1 The annual general meeting shall deal with and dispose of all the matters required by the Act, including the consideration of the annual financial statements, the election of directors, and the appointment of an auditor, and deal with any other business laid before it. All business laid before any other general meeting shall be considered special business.

16.2 No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, a quorum shall be that as set out in article 17.1.

16.3 If within half an hour after the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall stand adjourned to a day not earlier than seven days and not later than twenty one days after the date of the meeting and if at such adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting the Members present in person shall be a quorum.

16.4 The Chairman, if any, of the board of directors shall preside as Chairman at every general meeting of the Company.

17. QUORUM

17.1 No business shall be transacted at a general meeting unless a quorum is present both when the meeting proceeds to business. The quorum necessary for the holding of a general meeting shall be –

17.1.1 30% (THIRTY PERCENT) of all the Members of the Company entitled to vote for the time being, provided that there shall never be less than 3 (THREE) Members present in the person or by proxy.

17.2 The Chairman of the board of directors shall preside at all general meetings of the Company and, in the event of his not being present within 15 (FIFTEEN) minutes of the scheduled time for the start of the meeting or in the event of his inability or unwillingness to act, a chairman shall be appointed by the Members present at the meeting.

17.3 The Chairman of a general meeting at which a quorum is present may (and shall if so directed by the meeting) adjourn the meeting from time to time and place to place but no business shall be transacted at any adjourned meeting other than business left unfinished. Subject to the Act, when a meeting is adjourned it shall not be necessary to give notice thereof.

17.4 No resolution at a general meeting will require a seconder.

18. VOTING

18.1 At every general meeting –

18.1.1 all voting shall be by poll;

18.1.2 on a poll every Member present in person or by proxy shall be entitled to 1 (ONE) vote for each Property in the Development registered in his name save.

- 18.1.3 if a Property in the Development is registered in the name of more than one person, then all such co-owners shall jointly have 1 (ONE) vote;
- 18.2 Subject to the provisions of these Articles, no person other than a duly registered Member who has paid every service charge and other sum, if any, which is due and payable to the Company in respect of or arising out of his Membership and who is not under suspension, shall be entitled to be present or vote on any question, either personally or by proxy, at any general meeting.
- 18.3 In the case of an equality of votes, the Developer's Director at the meeting at which the poll is taken shall be entitled to a second or casting vote.
- 18.4 An objection to the admissibility of a vote on a poll shall be raised at the general meeting at which that poll is to take place. The objection shall be determined thereon shall be final and binding. According any vote not disallowed at the meeting shall be valid for all purposes.

19. RESOLUTION IN WRITING BY MEMBERS

Subject to the provisions of the Act, a resolution in writing signed by all the Members entitled to receive notice and to attend and vote at the general meeting and inserted in the minute book kept in terms of article 20 shall be as valid and effective as if it had been passed at a general meeting duly called and constituted. A resolution in terms of this article may consist of several documents of the same form, each of which is signed by one or more Members in terms of this article, and shall be deemed to have passed on the date of signature thereof by the last Member entitled to sign the same.

20. MINUTES AND INSPECTION

20.1 The directors shall cause a record to be made of all resolutions of the Members in general meeting in a book provided for that purpose.

20.2 The minute book shall be open for inspection and may be copied as provided in the Act.

21. PROXIES

21.1 A Member entitled to vote at a general meeting shall be entitled to appoint one person or more than one person in the alternative to each other as his proxy(ies) to attend, speak and vote at a general meeting on his behalf.

21.2 A proxy need not be a Member of the Company.

21.3 The instrument appointing a proxy shall be in writing under the hand of the appointer or his agent duly authorised in writing or, if the appointer is a body corporate, under the hand of the authorised representative. The instrument appointing a proxy, under which it is signed, shall be deposited at the office not less than 48 (FOURTY EIGHT) hours before the time for the holding of a meeting at which the person named in the instrument proposes to speak and/or to vote.

21.4 The instrument appointing a proxy may be in any usual or common form but shall be worded that the holder thereof may vote for or against or abstain from voting on any one or more of the resolutions proposed at the general meeting at which the proxy is to be used.

22. ACCOUNTING RECORDS

22.1 The directors shall cause to be kept such accounting records as are prescribed by the Act, in particular such accounting records as are necessary to fairly record the transactions and the financial position of the trade or business of the Company.

22.2 The Company's accounting records shall be kept at the registered office or such other place or places as the directors think fit, and shall at all times be open to inspection by the members.

23. AUDITED FINANCIAL STATEMENTS

23.1 The directors shall from time to time and in accordance with the provisions of the Act, cause audited annual financial statements to be prepared and laid out before the Members in general meeting.

23.2 A copy of the annual financial statements which are to be laid before the Association at the annual general meeting shall, not less than 21 (twenty-one) days before the date of the meeting, be sent to every Member of the Company and, where required by the Act, also to the Registrar. The provisions of this article shall not require a copy of the said documents to be sent to any person whose address the Company does not have.

24. AUDIT

An auditor shall be appointed in accordance with the provisions or the Act.

25. NOTICES

- 25.1 Notice of every general meeting shall be given in writing and shall be delivered by hand, sent by post, or by electronic mail -
- 25.1.1 to every Member except those persons who have not supplied their address;
 - 25.1.2 to the auditors for the time being of the Company;
 - 25.1.3 to every director of the Company whether a Member or not; and no other person shall be entitled to receive notice of any general meetings.
- 25.2 Any notice by the Company shall be signed by a director or by someone authorised by the director.
- 25.3 The accidental omission to give notice to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings of that meeting.
- 25.4 The Company shall not be responsible for the loss in the transmission of documents sent through the post to the address furnished by any Member to the Company for the giving of notices to him, whether or not it was so sent at his request.

26. INDEMNITY

- 26.1 Every director, manager and officer of the Company and every other person (whether an officer of the Company or not) employed by the Company, and the auditor, shall be indemnified out of the funds of the Company against all liability incurred by him as such director, manager, officer or auditor in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted, or in connection with any application under section 248 in which relief is granted to him by the Court.
- 26.2 The Members acknowledge that they are purchasing land on a game reserve which has dangerous wild animals roaming within the boundaries of Gondwana. The Members are aware of the implications on them, their families, invitees and guests, of their entering a game reserve and the precautions that have to continuously and diligently be practised by them whilst on Gondwana. The Members acknowledge that they do so entirely at their own risk and indemnify and hold harmless the Developer / Company and their directors against claims of whatsoever nature.

27. AMENDMENT

The Company may by any special resolution –

- 27.1 do anything which in terms of the Act may be done only if authorised by its Articles or only if authorised by its Memorandum of Articles;
- 27.2 in particular and without prejudice the generality of the foregoing alter its Articles of Memorandum of Association in any way permitted by law subject only to any restriction in this regard contained in the Memorandum.

28. LIQUIDATION OR DEREGISTRATION

In the event of the Company ceasing to exist, being liquidated or deregistered, the Members of the Company at the time of such liquidation or deregistration, shall be responsible and liable themselves for the obligations of the former Company.

29. ACT OF GOD

In the event of any destruction, damages or loss of amenities due to an Act of God or Natural Disaster, i.e. fire, floods, storms, drought the costs and/or damages in respect thereof to Gondwana Game Reserve shall be borne by the Company and all other companies benefiting from the activities within Gondwana.

30. EXTENTION OF DEVELOPMENT

In terms of the Articles of Association of the Home Owners' Association, the Developer has the right to extend or alter the area or composition of the Development by requiring the Home Owners' Association to incorporate into the Development any adjacent land, and/or any property acquired by the Developer from time to time which the Developer shall be entitled to develop as it may deem fit. The density of the Development will however never be more than 1 (ONE) erf per 62 (SIXTY TWO) hectares. The liability of the members to contribute service charges shall not be burdened and/or increased as a result of any other business ventures conducted on Gondwana.

31. RIGHT OF FIRST REFUSAL

Should the Developer wish to dispose of Gondwana Game Reserve, the Company shall be afforded a Right of First Refusal for a reasonable time to purchase same, at a reasonable and market-related price, from the Developer. The Company would be given the first right of refusal on any offer, acceptable to the Developer, and submitted in writing.

32. EXCLUSIVE USE AREA

The registered owner of each residential erf shall have the exclusive use of ten thousand square meters (one hectare) surrounding his registered erf (2,500m² for Fynbos Camp erven). This exclusive use area will be in perpetuity and can be on sold to subsequent purchasers. This right is attached to the registered owner of an erf and cannot be transferred without the erf being transferred. As per the conditions of the Architectural Guideline, other than the three hundred square meter disturbance area, the ten thousand square meters (2,500m² for Fynbos Camp erven) must remain in it's natural state. No development, construction or any disturbance of the area including gardens, fences etc. will be allowed in this area. The right of exclusive use of this area is created by agreement amongst the individual registered owners vis-avis each other, the Home Owner's Association and the Developer, it is however recorded that it is not a registerable right.