



THE LEISURE ISLE RESIDENTS' ASSOCIATION CONSTITUTION

(Amended as at December 2009)

1. NAME

The Association shall be called “**THE LEISURE ISLE RESIDENT’S ASSOCIATION**” (hereinafter referred to as the “**Association**”). Any reference to one gender shall be deemed to include other genders.

2. OBJECTIVES

The objectives of the Association shall be to:

- 2.1 Ensure that the environmental heritage of Leisure Isle and its environs is nurtured and protected and to implement, in conjunction with Steenbok Park Committee, Gardening at Leisure and other organizations, appropriate programmes to achieve the foregoing.
- 2.2 liaise with Knysna Town Council and Municipality, Nature Conservation and other authorities and organizations, to ensure:
 - 2.2.1 the establishment, amendment and/or enforcement of appropriate laws, regulations and by-laws relative to Leisure Isle;
 - 2.2.2 appropriate supply of services to, and good governance of Leisure Isle (including the maintenance of roads, adequate signage, traffic flows, cleanliness and tidiness and adherence to by-laws);
- 2.3 implement and maintain a cost effective system of security for the protection and safety of Leisure Isle residents and visitors and their property.
- 2.4 To undertake any other matter in respect of which the Committee considers that:
 - 2.4.1 there is a clear and important interest or right of the members of the Association that requires protection or enforcement; and
 - 2.4.2 such interest or right is of specific relevance to the members of the Association, rather than being of wider or general relevance.

3. LEGAL STATUS

- 3.1 The Association shall be a universitas with perpetual succession having an existence separate from its members, capable of suing and being sued and holding property in its own name.
- 3.2 The liability of members for the obligations of the Association shall be limited to the amount of their levies and any other amounts owing by them to the Association.
- 3.3 The Association shall be a non-profit organization and shall not make any distribution of any kind to members.

- 3.4 Any assets of the Association shall vest in and belong to the Association and the members shall have no personal rights in regard thereto.

4. POWERS OF THE ASSOCIATION

In order to achieve its objectives, the Association shall have the power to:

- 4.1 institute, conduct, defend, settle or abandon any legal proceedings either by or against it;
- 4.2 purchase, lease or in any other way acquire moveable or immovable property of whatever description, and to obtain licenses, authorizations or consents which may be necessary for the achievement of the objectives of the Association;
- 4.3 administer, insure, sell, let, mortgage, alienate, exchange, exploit, develop, maintain, improve and utilize all or any of its assets, and to deal with them in any manner whatsoever;
- 4.4 borrow money;
- 4.5 secure the performance of the obligations of the Association in any manner including mortgaging, hypothecating and pledging of its assets;
- 4.6 lend money to any person on such terms as the Association may determine;
- 4.7 invest money in any manner, and to withdraw and re-invest such investments;
- 4.8 open bank accounts and to operate and overdraw such bank accounts;
- 4.9 draw, accept, endorse, make and execute cheques, bills of exchange, promissory notes or other negotiable instruments necessary for obtaining the objectives of the Association;
- 4.10 grant indemnities, guarantees and suretyships;
- 4.11 appoint employees, advisers, consultants, agents, contractors and security companies and terminate their services;
- 4.12 levy and collect contributions, including the monthly levy contemplated in Clause 9.1 of this Constitution, and including special levies where the monthly levy together with the reserve funds of the Association are not sufficient to cover any extraordinary expenditure that is required for furthering the objectives of the Association.
- 4.13 establish and maintain one or more reserve funds to provide money to the Association to pay any expenses incurred by it in the exercise of its objectives;
- 4.14 make, vary and repeal rules for the regulation of the Association and its members, officials, employees, contractors, agents and advisers;
- 4.15 do everything necessary or requisite including entering into contracts of agreement, in order to give effect to the abovementioned powers and objectives of the Association.

5 MEMBERS

- 5.1 The members of the Association shall consist of persons resident on, or owning fixed property on Leisure Isle and who have completed and submitted an application form for membership and have paid all levies due by them in terms of this Constitution.

- 5.2 The Association shall keep a register of members at its office.
- 5.3 Membership of the Association shall also be open to such other persons, including juristic persons, who, in the opinion of the Committee, have a valid interest in the objectives of the Association or who may be of assistance in furthering the objectives of the Association, subject to the following:
- 5.3.1 Such persons shall complete and submit an application for membership in the prescribed form;
- 5.3.2 Such persons shall be appointed as members by the Committee;
- 5.3.3 The period of membership of such persons shall be at the sole discretion of the Committee which shall have the power at any time by a majority vote to terminate or revoke such membership without having to give reasons therefor and without having to conduct a hearing;
- 5.3.4 The Committee shall have the power to exempt such appointed members, or such classes of such appointed members as they may determine, from payment of portion or the whole of the monthly levy or of any special levy.

6. DUTIES OF MEMBERS

A member shall:

- 6.1 as far as possible endeavour to attend all general meetings;
- 6.2 not contravene or permit the contravention of any law, by-law, ordinance, proclamation, statutory regulation or the conditions of any license relating to or affecting the Association;
- 6.3 faithfully observe the rules of the Association which are in force from time to time;
- 6.4 in the event of being unable to pay the monthly levy, advise the Chairman accordingly. Should the Chairman be of the opinion that this is a genuine case of hardship, then, after consultation with the Committee, he may reduce the member's levy or waive it completely at his discretion, depending on the circumstances.

7. GENERAL MEETINGS OF MEMBERS

- 7.1 The Annual General Meeting:
- 7.1.1 shall be the highest authority of the Association;
- 7.1.2 shall be held once every year within 6 months of the year end which shall be 31st October in each year;
- 7.1.3 shall have as its function:
- 7.1.3.1 the reading and adoption of the minutes of the previous annual general meeting and any extraordinary general meeting which may have been held;

7.1.3.2 the consideration and approval of the financial statements and report of the Associations' Committee pertaining to the affairs of the Association during the preceding financial year;

7.1.3.3 the approval of the budget and the monthly levy for the succeeding financial year;

7.1.3.4 the election of the associations' Chairman and Committee;

7.1.3.5 the handling of any other special business of which due notice has been given.

7.2 An extraordinary general meeting:

7.2.1 shall be called:

7.2.1.1 on written request of ten or more members of the Association;

7.2.1.2 if the association's Committee so calls a meeting;

7.2.2 shall only transact business for which it shall have been convened.

7.3 Annual general meetings and extraordinary meetings shall be conducted as follows:

7.3.1 no business shall be transacted at the general meeting unless a quorum of members is present in person or by proxy at the time the meeting proceeds to business;

7.3.2 a quorum at a general meeting shall be at least twenty members, in good standing, present in person or by proxy;

7.3.3 should a quorum not be present within ten minutes of the scheduled time of the meeting then the meeting shall be adjourned to the same day and time one week later. If a quorum is not present at such adjourned meeting then the meeting shall proceed as though a quorum is present and shall have the same powers as if a quorum were present;

7.3.4 voting shall be by way of a ballot unless the Chairman decides otherwise and each member present in person or by proxy shall only be entitled to one vote unless such member is paying levies for more than one property;

7.3.5 all resolutions shall be passed by a majority vote of the members present in person or by proxy;

7.3.6 a proxy must be a member of the Association;

7.3.7 meetings shall be called with at least 10 (ten) days notice given to members per e-mail or post and per blackboard notice at the entrance to Leisure Isle.

8. ASSOCIATION'S COMMITTEE

8.1 The Association shall have a Committee which:

8.1.1 shall consist of;

8.1.1.1 the Association's Chairman;

- 8.1.1.2 at least two Committee members, one of whom shall perform the function of honorary treasurer;
- 8.1.2 shall be the executive power of the Association and perform the duties and powers of the Association subject to the provisions of this Constitution and to any restriction imposed or direction given at a general meeting of the members.
- 8.1.3 members of the Committee shall act in an honorary capacity and shall not be compensated for work done.
- 8.2 The Association's Committee members shall be elected at each annual general meeting and shall hold office until the next succeeding annual general meeting, but shall be eligible for re-election.
- 8.3 The Chairman of the Committee shall be elected by the Committee at the first meeting of the Committee after its election, provided that, if the Committee fails to elect a Chairman at its first meeting, it shall immediately thereafter call an extraordinary general meeting at which a Chairman shall be elected from the members of the Committee by the members of the Association.' "
- 8.4 The Chairman shall hold office until the next annual general meeting, but shall be eligible for re-election.
- 8.5 In the event of the Chairman resigning or becoming unable to continue to hold office, the Committee shall without delay elect a new Chairman and the provisions of sub-clauses 8.3 and 8.4 shall apply, *mutatis mutandis*.
- 8.6 Nominations by members for the election of the Association's Chairman and Committee members at any annual general meeting shall be given in writing, accompanied by the written consent of the persons nominated, so as to be received at the office of the Association no later than 48 (forty eight) hours before the meeting, provided that should there be no or insufficient duly accepted nominations before the meeting, nominations may be called for and accepted at the meeting.
- 8.7 The Committee members may fill any vacancy in their number. Any Committee member so appointed shall hold office until the next annual general meeting when he shall retire and be eligible for re-election as though he had been elected at the previous general meeting.
- 8.8 The members of the Committee shall not be answerable for or liable to make good any loss sustained by the Association, save and except such loss as arise or be caused from their own dishonesty, nor shall they be answerable for or liable to make good any loss sustained by the Association by reason of any improper or inappropriate investment made in good faith or for the negligence or fraud of any agent employed by them or by reason of any mistake or omission made in good faith.
- 8.9 The members of the Committee shall be indemnified by and from the Association against any loss, damage, claim or costs whatsoever which might arise against them arising out of the exercise or purported exercise of any of the powers conferred upon them by this Constitution or in respect of any act or omission whatsoever committed or made in good faith in connection with the affairs of the Association

9. ANNUAL BUDGET AND LEVIES

- 9.1 Each year, the Association's Committee shall prepare an annual budget of the Association for the succeeding financial year, which budget shall estimate the amount of expenses, including any necessary capital expenditure, that are anticipated to be incurred during such year and the monthly levy which shall be payable by members in respect of that year.
- 9.2 A copy of the proposed budget together with a notice of the amount of the proposed monthly levy shall be presented at the annual general meeting.
- 9.3 The budget and the monthly levy shall be subject to the approval of the members by way of an ordinary resolution passed at the annual general meeting of the Association.
- 9.4 Unless otherwise determined by the Association's Committee, each member shall pay the monthly levy, as approved by the members, to the Association by way of a monthly direct debit on their bank account or by way of an annual cheque payment in advance of the year.
- 9.5 The monthly levy may be increased or reduced at any extraordinary general meeting, if approved by a two-thirds majority of those members in attendance in person or by proxy at such meeting.
- 9.6 Special levies as contemplated in sub-clause 4.12 of this Constitution may be imposed at the annual general meeting or at an extraordinary general meeting, if approved by three-quarters of those members in attendance in person or by proxy at such meeting.
- 9.7 The Committee may grant a member a partial or total rebate of any special levy in the case of genuine hardship.

10. RECORDS

- 10.1 The Association's Committee shall keep an up-to-date record of the rules and on the application of a member supply to such member a copy of the rules.
- 10.2 The Association's Committee shall;
 - 10.2.1 keep minutes of Committee meetings;
 - 10.2.2 cause minutes to be kept of all general meetings of the Association in the minute book of the Association;
 - 10.2.3 include in the minute book of the Association a record of every resolution of the Association;
- 10.3 The Association's Committee shall keep all minutes in perpetuity.
- 10.4 On the written application of a member, the Association's Committee shall make all minutes of their proceedings and of the Association available for inspection by such member.
- 10.5 The Association's Committee shall cause proper accounts and records to be kept so as to fairly explain the transactions and financial position of the Association including:
 - 10.5.1 a record of the assets and liabilities of the Association;

10.5.2 a record of all moneys received and expended by the Association and the matters in respect of which such receipt and expenditure occurred.

10.6 On the application of any member, the Association's Committee shall make all or any of the accounts and records available for inspection by such member.

10.7 The Association's Committee shall cause all accounts and records to be retained for a period of 5 (five) years after completion of the transactions, acts or operations to which they relate.

11. RESIGNATION OF A MEMBER

Any member wishing to resign from the Association must notify the Committee in writing of this. Liability for the monthly levy will cease on the effective date of resignation and any advance payment by the member for any period beyond that date will be refunded to the member.

12. EXPULSION OF A MEMBER

In the event of a member, other than a member appointed in terms of Clause 5.3, contravening any of the provisions of this Constitution, failing to pay his levies when due or in the event of a member acting to the detriment of the Association, the Association's Committee shall write to the member advising him of this fact and giving him 21 (twenty one) days within which to make good the transgression or, if he does not agree that he has contravened the Constitution, to ask the Committee in writing for a hearing. Should he fail to respond or remain in default after 21 (twenty one) days, the Committee may give him written notice of termination of his membership with immediate effect.

13. AMENDMENTS TO THE CONSTITUTION

13.1 This Constitution may be amended only at an annual general meeting or special general meeting convened for the purpose.

13.2 Notice of any proposed amendment shall appear on the agenda and shall specify which clause of the Constitution it is proposed to amend and shall indicate clearly what should be omitted or inserted.

13.3 This Constitution may be amended only by a two thirds majority vote of those members in attendance in person or by proxy at the annual general meeting or special general meeting at which the motion is proposed.

14. WINDING UP OF ASSOCIATION

In the event that the Association fails to perform satisfactorily or in any way to meet its objectives the Committee or any group of ten or more members may call a special general meeting for the purpose of winding it up. If the meeting approves the winding up then the Committee shall give immediate notice of termination of service to the security service provider in terms of the contract in force with such provider. Members shall continue to be liable for the monthly levy until such notice period has expired. Members who have paid their levy in advance beyond the date of termination of service will be refunded the overpayment. Assets of the Association will be sold by public auction after being advertised in the local press for two weeks prior thereto. Any surplus finds remaining after settling the liabilities of the association will be donated to Hospice in Knysna.