CONDUCT RULES

SUBSTITUTED BY THE DEVELOPER FOR

THOSE RULES AS CONTEMPLATED IN SECTION 35(2)(b) OF ACT 95 OF 1986

AND

BEING FOR THE CONTROL AND MANAGEMENT OF THE BUILDING OR BUILDINGS KNOWN AS

MUTUAL HEIGHTS

No. SS <u>326/2005</u>

AND REMAINDER ERF 4773 CAPE TOWN ON WHICH THE BUILDING OR BUILDINGS ARE SITUATED

CONDUCT RULES

[Section 35(2)(b) of the Sectional Titles Act, 1986]

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1 PRELIMINARY

The rules contained in this schedule shall not be added to, amended or repealed, except by Special Resolution of the members of the Body Corporate in accordance with the Act.

2 INTERPRETATION

In the interpretation of these rules, unless the context otherwise indicates -

- (a) "Act" means the Sectional Titles Act of 95 of 1986, as amended from time to time and any regulations made and in force thereunder.
- (b) the words used shall bear the meanings assigned to them in the Act;
- (c) words importing
 - the singular number only shall include the plural, and the converse shall also apply;
 - (ii) the masculine gender shall include the feminine and neuter genders and the neuter gender shall include the masculine and feminine genders.
- (d) "Trustee" includes an Alternative Trustee;
- (e) "the Buildings" shall mean the buildings to which these rules apply;
- (f) the headings to respective rules are provided for convenience of reference only and are not to be taken into account in the interpretation of the rules;
- (g) "owner" shall be deemed to include the tenant/occupier from time to time.

3 IMPROVEMENTS ON OR TO THE COMMON PROPERTY

No duty shall be placed upon any owners in regard to the provision of any improvement on or to the common property, unless a proposal to make such improvement has been approved by a Special Resolution at a General Meeting of owners of sections, or unless the relevant portion of the common property has, in terms of any agreement with the Body Corporate, or of any provision of the rules, been reserved for or allocated to the private use of an owner.

4 USAGE

a. A section shall be used and occupied personally by the owner or the owner's lawful tenant or duly authorised agent. Parking areas and stores shall only be used by the owner of a section, or the owner's lawful tenant or a person duly authorised to occupy the section. In the event of any section being owned by a company, close corporation or trust, the section may be occupied by such person nominated from time to time by such company, close corporation or trust, provided that such occupation shall be subject to the prior approval of the Trustees, which approval shall not be unreasonably withheld

b.

i. All owners and occupants of sections shall ensure that their respective activities in the use of the common property and of the section, or any part thereof, with all services, facilities and amenities available on the common property, shall at all times be conducted and carried out with reasonable and diligent care and with due and proper consideration for the other owners and occupants of the Building, and in accordance with the rules and any house rules made in terms of these rules, and of the provisions of the Act. This rule shall likewise apply to guests and servants or owners and/or occupants of sections while they are in the buildings and/or the common property.

- ii. The owner shall not cause or permit any disorderly conduct of whatsoever nature upon the section, or any part of the common property, or do or permit any act, matter or thing in or about the same which shall constitute or cause a nuisance or disturbance, or any inconvenience to any other owner or occupier regarding the quiet enjoyment of their own premises, or which is likely to, or in any way may, tend to affect detrimentally the benefit, enjoyment, rights of occupation, or the interest of any other owner or occupant of the Buildings, or member of the Body Corporate.
- iii. The use of radio and television sets, music and hi-fi systems, recording equipment and the like, or the playing of musical instruments to the extent that others are disturbed, is prohibited.
 - iv. The owner shall at all times maintain his or her section in good, clean and habitable order and condition, and shall be responsible for all interior painting, maintenance, inclusive of blockage of sewers and sanitary equipment and connections, and repairs of whatever nature, including repairs to doors and windows.

c.

- i. An owner shall not keep or do anything on the common property, after notice in writing in that regard from the Trustees.
- ii. An owner shall not store or leave or allow to be stored or left any article or thing in any part of the common property (save for exclusive use stores), except with the written consent of the Trustees first having been had and obtained.

5 LETTING

An owner may let or part with occupation of his or her unit provided:

- a. that no such letting and/or parting with occupation shall in any way release the owner from any of his or her obligations to the Body Corporate, hereunder or in terms of the rules or any house rules made in terms thereof or of the Act.
- b. that as a condition precedent to any such letting and/or parting with occupation, the owner shall secure from the lessee or person to whom occupation is given, as the case may be, an undertaking in favour of the Body Corporate that such lessee or person shall duly observe all these regulations and conditions, as are contained in the rules and in the Act. Such undertaking shall be in such terms as the Trustees shall from time to time require and it shall be lodged in writing and with the Trustees prior to such lessee or person being given occupation of the unit.
- c. That as a further condition precedent to any such letter and/or parting with occupation, the owner shall provide the Managing Agent with a copy of the identity document and/or passport of any occupier, together with the written acknowledgement of receipt by the occupier of a copy of the Management and Conduct Rules applicable from time to time.

6 ANIMALS

No animals, reptiles or pets shall be kept or harboured in the Buildings, unless the same in each instance be expressly permitted in writing by the Trustees. In no event shall animals be permitted in any of the public portions of the Buildings or any other part of the common property, unless controlled on a leash. In the event of any owner or occupant securing permission to keep or harbour any animal or other pet on the premises, such person shall not allow such animal or other pet to foul the corridors, entrance or any other part of the common property or otherwise cause a nuisance, whether due to noise or otherwise. The Trustees shall have the right to require any such animal or other pet to be removed permanently from the Building, where this rule is not observed.

7 AIRCONDITIONING UNITS AND TELEVISION AERIALS

No owner shall place or allow to be placed in a section or any part thereof (or any part of the common property which he is entitled to occupy) any air conditioning equipment, or apparatus, or television aerial or satellite dish/receiver or equipment which requires attachment to the structure of the building, except with the prior written consent of the Trustees, who in giving such consent may impose such conditions as to the method of installation, type, specification, position, colour and removal thereof, as they in their absolute discretion shall deem fit.

8 ALTERATIONS

- a. Subject to the Heritage Impact Assessment forming part of the Management Rules, the owner may make alterations to the interior of the section, but no structural alterations nor alterations to the water, gas or steam pipes, electric conduits or plumbing may be effected without the prior written consent of the Trustees, and then subject to such conditions as the Trustees may impose. An owner may place in the section at his or her own expense any improvements, additions or fixtures such as mantels, lighting fixtures, refrigerators, cooking ranges, woodwork, panelling, ceilings, doors or decorations, which will not cause any damage to the Building, subject always to the condition that the owner shall at all times only use such electrical appliances and fittings, as shall comply with the electrical wiring of the Building, and shall at no stage do anything which is likely to endanger or jeopardise the safety of the Building.
- b.
- i. No exterior blinds, awnings or other fittings shall be installed, save with the prior written approval of the Trustees. Blinds, awnings and other fittings which are visible to the public view shall at all times be maintained in a state of good repair and clean condition, failing which the Trustees shall have the right to require their removal or, alternatively, to attend to the repair thereof at the cost and expense of the owner.

Every owner shall ensure that all curtains in his or her section shall have a white lining and that all blinds visible through a window are white, to ensure uniformity in the Building. Colours and types of blinds and awnings or of exterior paint-work on doors, windows, window frames, balustrades, balcony walls and ceilings shall not be changed without the prior written approval of the Trustees.

- ii. No owner shall place or allow to be placed any signs, writing or notices in or upon any section or the common property, except with the prior written consent of the Trustees who, in giving such consent, may attach any conditions thereto, as they in their absolute discretion shall deem fit.
- iii. No owner shall enclose or alter any balcony/ies.
- c. No work is to be carried out on Saturdays, Sundays, Public Holidays or outside normal working hours, i.e. 08h00 to 17h00,

9 FURTHER RULES REGARDING ALTERATIONS

In addition to the provisions regarding alterations (rule 8 above), the following applies:

- 9.1 If an owner is given the right to make alterations to his/her section, and/or the common property, then he shall deposit an amount, fixed by the Trustees, with the Body Corporate in respect of claims that the Body Corporate may have, arising from any damage done to the Building whilst the said alterations are being effected.
 - (a) Alterations shall mean any work involving structural alterations or additions to a section or unit, including the removal, creation or modification of a wall or any structural part of the building, and shall include any alteration, modifications or decorative work which affects the exterior appearance of a section or unit.

(b) Renovations shall mean any internal redecoration or refurbishment or the existing décor of an interior unit or section, including the replacement, removal or creation of internal fittings, such as kitchen and other cupboards, sanitaryware, floor coverings etc.

The Trustees shall be the sole and final judges as to whether the work proposed constitutes "alterations" or "renovations", as referred to herein.

- 9.2 The procedure for obtaining approval is as follows:
 - (i) ALTERATIONS where alterations, as defined above, are involved:
 - (a) An application with a sketch plan drawn by an Architect of the proposed alteration, together with a Structural Engineer's report, should this be required by the Architect, and the written consent required under the Heritage Impact Assessment contained in the Management Rules, must be submitted to the Managing Agents for agreement in principle to be obtained from the Trustees;
 - (b) Thereafter it is the responsibility of the owner to ensure that, if necessary, professionally prepared plans (which may not deviate from the sketch plan) are duly approved by the Cape Town City Council;
 - (c) A copy of the plans, as approved by the Cape Town City Council, must be submitted to the Trustees – alternatively, the Trustees must be supplied with evidence satisfactory to them that Council approval is not required;
 - (d) If the Trustees consider it necessary, they shall be entitled at the cost of the applicant to seek the advice of an architect (or other professional assistance) as to the acceptability of the proposals.

- (ii) RENOVATIONS where only renovations, as defined above, are proposed, application for such renovations should be submitted to the Managing Agents for agreement to be obtained from the Trustees, such application shall comply with the Heritage Impact Assessment incorporated in the Management Rules.
- 9.3 Confirmation that alterations and renovations may proceed will be conveyed to the applicant by the Managing Agent with whom a date for the commencement of the work shall be arranged. The Managing Agent will also supply information as to access by contractor's workmen and the maintenance of security within the building.
- 9.4 No work may be started until approval has been conveyed by the Managing Agent, as noted above and the deposit mentioned below has been paid to the Managing Agent.
- 9.5 The owner accepts responsibility for any damage caused by him or her, or his or her contractors, to common property or to other units in the Buildings and indemnifies other owners against such damage.
- 9.6 The Managing Agent shall designate a lift to be used by workmen and for materials, which lift shall be protected at the cost of the owner, and in the discretion of the Managing Agent.
- 9.7 Contractors must clean up common property each afternoon, before leaving the site. If this is not done, the Managing Agent shall have the right to do so at the owner's expense.
- 9.8 Body Corporate electricity, ie passage plugs, are not to be used, except with the written permission of the Trustees, in which latter case a charge will be assessed for the electricity consumed for the account of the owner.

- 9.9 Excessive use of the lift during alterations or renovations will reflect in a substantial increase in the electricity charges to the Body Corporate electricity account for the period. The increase in the number of units of electricity consumed above the average for the same period of the previous year will be charged to the owner, together with an estimated pro rata charge to cover additional wear and tear and maintenance to the lift equipment and machinery.
- 9.10 All doors and windows being installed must conform in outward appearance with the other doors and windows installed in similar positions elsewhere in the building.
- 9.11 The owner indemnifies the Body Corporate in respect of any damage caused to its common property, including the lift, either inside or outside the Building, and will pay the costs of repairing or restoring the damages caused during the course of carrying out any alterations or renovations to his or her section.
- 9.12 A deposit, prior to any work commencing, shall be paid to the Trustees in an amount required in the sole discretion of the Trustees from time to time, from which the cost of rectifying any damage to common property (eg lift, floor coverings, woodwork, paint work, plumbing etc), and also any other charges accruing against the owner which may arise, in the discretion of the Trustees.
- 9.13 Any and all charges, expenses and costs accruing against the owner arising from matters contained anywhere in the a foregoing conditions are payable on demand and will be deducted from the deposit.
- 9.14 Any balance of the deposit remaining will be repaid to the owner after completion of the alterations/renovations to which these conditions apply and after all charges have been deducted from the initial deposit.
- 9.15 It is the responsibility of the owner to ensure that their contractors and workmen comply herewith.

9.16 Owners are hereby advised that the Managing Agent of Mutual Heights has been authorised by the Trustees to act on their behalf in ensuring that the work undertaken conforms to that approved by the Trustees and that all contractors are abiding with the conditions of this procedure.

10 SUBDIVISION AND EXTENSION

No owner shall subdivide or partition, or extend by the installation of a mezzanine level or otherwise, any unit or section or any part thereof without the prior written approval of the Body Corporate, which in giving such approval may attach such conditions thereto as they in their discretion shall deem fit. In particular, no owner shall, in any manner whatsoever, embark upon a time-sharing scheme in respect of any unit or part thereof by way of marketing, leasing, selling or in any other form or method of alienation.

11 REFUSE REMOVAL

The owner or occupier of a section shall:

- maintain in an hygienic and dry condition a receptacle for refuse within his/her section, or on such part of the common property as may be authorised by the Trustees in writing;
- b. ensure that all refuse is placed in such receptacle securely wrapped, or in the case of tins or other containers, completely drained;
- c. for the purpose of having the refuse collected, place such receptacle within the area and at times designated by the Trustees;
- d. when the refuse has been collected, promptly return such receptacle to his section or other area referred to in paragraph (a) above.

12 INSURANCE

- a. The Body Corporate shall have no responsibility whatsoever for the insurance of the contents of any particular section, which shall at all times be the sole responsibility of the owner in question.
- b. An owner shall not do or permit to be done in his or her section or on the common property anything which will or may increase the rate of premium payable by the Body Corporate on any insurance policy or which may tend to vitiate any such insurance policy.
- c. An owner shall not store or harbour upon the common property or any part thereof or in his or her section any goods which may vitiate any fire insurance policy held by the Body Corporate or increase the premium payable in respect of such policy.

13 CLEANERS

The Trustees of the Body Corporate are specially authorised to employ cleaners to keep all portions of the common property in a proper state of cleanliness and the costs of such employment shall be an administrative expense chargeable to the fund established by the Body Corporate, provided however that nothing herein or elsewhere contained shall be construed as obliging the Trustees or the Body Corporate to maintain the interior of any section in a proper state of cleanliness, such maintenance of the interior of a section being the sole responsibility of each individual sectional owner, who undertakes to keep the interior of his or her section in such proper state of cleanliness and in a hygienic condition. No owner may, in any circumstances, interfere with the schedule of times of such service and any complaints concerning cleaning shall be made to the Trustees or the Managing Agent of the Body Corporate in writing.

14 LAUNDRY

An owner shall not allow any of his or her linen or clothing to be hung on the outside of any section or on the common property, except in a place specially designated therefore by the Trustees in their sole discretion. Carpets and mats shall not be shaken or dusted or beaten over the balconies in the common property or through windows. Laundry shall be removed from drying lines as soon as is reasonably possible once it has dried.

15 AUCTION SALES AND SHOW FLATS

- a. An owner shall not hold or allow to be held any auction sale in the section or any portion of the common property under any circumstances.
- b. Where an owner requires his or her duly authorised agent to hold a show flat in the Building, such owner shall at least seven (7) days prior to the proposed show date provide the Managing Agent with written details in such regard, incorporating inter alia, the unit number, the identity of the agency and agent, and contact details in such regard.
- c. No prospective purchaser shall proceed past Security unless accompanied by either the owner, the owner's duly authorised agent (which authority shall be in writing and lodged with the Managing Agent along with the notice in (b) above), the selling agent, or additional security furnished by the Managing Agent by prior arrangement and at the owner's cost.

16 GAMES

No owner shall cause or permit the hitting, striking, throwing or bounding of balls or other objects against any of the walls of the common property or of the Buildings. No games, bicycle riding, skateboard riding, roller skates or recreational activities of any nature shall be permitted in any part of the common property.

17 HAZARDS

An owner shall take all such precautions, having regard to the plumbing system of the Building to avoid damage to other sections or any other part of the common property by the penetration of water through the walls or floors of their sections.

18 SECURITY

All owners, tenants, and duly authorised invitees shall be obliged to adhere to any security rules or arrangements prescribed by the Trustees.

19 DAMAGE TO PROPERTY

No owner or his or her guest or duly authorised occupant shall cause or permit any act, which might result in damage to or disfigurement of any section or common property or any part thereof.

20 VEHICLES

- a. No owner or occupier shall park or stand any vehicle upon the common property, or permit or allow any vehicle to be parked or stood upon the common property, without the consent of the Trustees in writing, unless that portion of the common property is designated for such parking.
- b. The Trustees may cause to be removed or towed away, at the risk and expense of the owner of the vehicle, any vehicle parked, standing or abandoned on the common property without the consent of the Trustees.
- c. Owners and occupiers of sections shall ensure that their vehicles, and the vehicles of their visitors and guests, do not drip oil or brake fluid onto the common property or in any way deface the common property.
- d. Washing of motor vehicles is prohibited within the building.

- e. No owner or occupier will be permitted to dismantle or effect major repairs to any vehicle on any portion of the common property or exclusive use areas, or sections.
- f. Hooters shall not be sounded within the Sectional Title Scheme, other than in emergencies.
- g. No trucks, caravans, trailers, boats or other heavy vehicles may be parked within the Sectional Title Scheme, without the prior written consent of the Trustees first being obtained.
- h. Any vehicles parked or operated within the Sectional Title Scheme shall be operated or parked at the owner's risk and responsibility, and no liability shall attach to the Body Corporate, its Trustees, Managing Agents or employees for any loss or damage of whatsoever nature which the owner or any person claiming to or on behalf of the owner, may suffer in consequence of a vehicle having been operated or parked in the Sectional Title Scheme.

21 BREACH

In addition to and without prejudice to the rights created in accordance with the provisions of rule 70 of the prescribed Management Rules, in the event –

- a. of an owner committing any breach of any of the provisions of the Management, Conduct or House Rules made hereunder or of the Act, and failing to remedy such breach within seven (7) days of the date of delivery by hand or post by prepaid registered post of written notice calling upon such owner to remedy the same; or
- b. of an owner committing or suffering the commission of any repetition of any breach of any of the terms and conditions of the Management, Conduct or House Rules made hereunder or of the Act, which breach is of such a nature or occurrence that cannot practicably be remedied subsequent to the giving of a period of notice, as aforesaid, at any time after due notice in writing has been Page 16 of 21

given to the owner requiring the owner to desist from and/or not to repeat or suffer the repetition of the breach complained of, the Body Corporate or the Trustees or the Managing Agent, if so authorised by the Trustees, shall be entitled notwithstanding any indulgence that may have been shown to the defaulting owner, to take such action as may be available to it or them, either to enforce the relevant provision of the rules and/or Act breached, or alternatively to restrain the defaulting owner from continuing or repeating the unlawful conduct complained of, all without prejudice to any other rights that may lie against the defaulting owner for the recovery of any damages or loss, which the Body Corporate or any other owner in the Building may suffer as a result of such breach and/or failure to remedy same. In the event of any steps or legal action being taken by the Body Corporate or Trustees for the purpose of enforcing compliance with these rules or any house rules made hereunder or of the Act, or procuring a due and proper remedy of such breach, all costs and expenses howsoever incurred by the Body Corporate or the Trustees arising thereout, or in connection therewith (including Attorney/Client costs), shall be paid by and shall be recovered from the defaulting owner.

22 LEGAL COSTS

In the event of the Body Corporate instituting any legal action or proceedings against the owner as a result of any breach of the Management, Conduct and/or House rules, or in terms thereof, the owner shall be liable to pay, in addition to party and party costs, all attorney and client fees and disbursements, including collection commission, as determined by the Law Society from time to time.

23 ERADICATION OF PESTS

An owner shall keep his or her section of white ants, borer and other wood destroying insects, and to this end shall permit the Trustees, the Managing Agent, and their duly authorised agents or employees to enter upon his or her section from time to time for the purpose of inspecting the section and taking such action as may be reasonably

necessary to eradicate any such pests. The costs of the inspection, the eradication of any such pests as may be found within the section, replacement of any woodwork or other material forming part of such section which may be damaged by any such pests, shall be borne by the owner of the section concerned.

24 USE OF EXCLUSIVE USE AREAS

No owner of an exclusive use area shall use such area for any purpose other than for the purpose indicated on the relevant Sectional Title Plan and the use thereof shall be subject to the same rights and restraints as set forth in Conduct Rule 4 above.

25 LEVIES AND INTEREST

Owners shall be liable for interest on outstanding amounts, including capitalised interest, at a rate determined by the Trustees from time to time, but not exceeding the maximum annual rate permitted by law, recoverable from the 1st day of the month for which such sum is payable, to the date of payment.

26 NO SALE OR LETTING OF TIMESHARE RIGHTS

No owner of any section may let his or her section on a timeshare basis; in other words, no owner will be permitted to sell to any person the right to occupy his or her unit or any part thereof for a certain limited period of time on an annual basis.

27 SIGNS AND NOTICES

No owner or occupier of a section shall place any sign, notice, billboard or advertisement of any kind whatsoever on any part of the common property or of a section, so as to be visible from outside the section, or the building, without the prior written consent of the Trustees first having been contained

28 LITTERING

An owner or occupier of a section shall not deposit, throw, or permit or allow to be deposited or thrown, on the common property any rubbish, including dirt, cigarette butts, food scraps or any other litter whatsoever.

29 USE OF GYM FACILITY

Section 116 of the scheme, the Gym, shall be restricted to the use of owners, tenants and their invitees, accompanied by them. The rules and requirements of the operator of the Gym from time to time shall be adhered to by all users thereof.

30 SMOKING

Smoking is prohibited in all parts of the common property.

31 FIREARMS

No firearms, pellet guns and the like may be discharged within the Sectional Title Scheme.

32 DELIVERIES

The Trustees, Managing Agents or their representatives or employees shall not be liable or responsible in any manner whatsoever for the receipt or the non-receipt and delivery or non-delivery of any goods, postal matter or any other property.

33 COMPLAINTS

All complaints regarding violation of Rules, or any other cause for concern, shall be in written form and addressed to the Trustees through the Managing Agents.

34 INDEMNITY

The Trustees or their agents, shall not be liable for any injury or loss or damage of any description which any owner or occupier of a unit, or any member of his or her family, employee, relative, friend, acquaintance, visitor, invitee or guest may sustain, physically or to property, directly or indirectly, in or about the common property, or in individual sections, by reason of any defect in the Sectional Title Scheme, or its amenities, or for any act done or for any neglect on the part of the Trustees or their employees, servants, agents or contractors, whether negligent or not.

35 BREACH AND PENALTIES

- 35.1 If an owner or occupier of a section is alleged by the Trustees, or managing agent acting on behalf of the Trustees, to have breached, contravened, disobeyed or disregarded any of the Management Rules and/or Conduct Rules, the owner shall be notified in writing of such breach and be warned that if such conduct persists a penalty will be imposed, which penalty will be loaded via the levy account of the owner, and be payable with the next contribution due on the account.
- 35.2 An occupier will be defined as any visitor, guest, agent, contractor, child or other person that has accessed the scheme for any purpose whatsoever for a specific unit.
- 35.3 The owner shall be given 7 (seven) days in which to deny, explain or justify the alleged breach and provide suitable remedial action to prevent recurrences of said breach, by reply in writing. The Trustees will review the owner's statement and will proceed to impose a penalty, submit a warning or agree that no further action be taken.
- 35.4 If the owner or occupier persists in that particular conduct or in contravention of that particular rule, the Trustees, by majority vote, may impose a penalty upon the owner for the first offence and a subsequent penalty for every identical offence thereafter, the sum of which shall be at the Trustees' discretion, and shall be added to the amount of the next contribution payable by the owner.
- 35.5 The owner shall have the right to appeal the penalty, in writing, within seven (7) days from receiving their levy account. The Trustees will review the appeal and will either uphold the appeal, reverse the penalty or confirm that the penalty stands.

- 35.6 The Trustees may, from time to time, determine the amount of the initial and subsequent penalties, which amounts may vary from offence to offence. In the absence of a determination, a maximum penalty of three (3) times the monthly levy may be imposed as an initial penalty and a further maximum penalty of five (5) times the monthly levy may be imposed as a subsequent penalty.
- 35.7 Any penalty imposed may, if it is not paid with the next contribution from the owner, be subject to interest at the rate as applicable to arrear levy contributions, and subject to the recovery of attorney and own client costs and expenses in the case that this must be handed over to attorneys for collection.
- 35.8 All penalties imposed will have to be paid in full prior to the issuing of a levy clearance certificate in terms of the provisions of Section 15B(3)(a)(i).
- 35.9 If the Trustees and owners are unable to reach an agreement, either party shall have the right to refer the matter to the Community Scheme's Ombud Service.