

It is the overall objective of Emerald Estate Homeowners Association (NPC) Board of Directors to protect the investment, provide adequate security and enhance the pleasant living environment of all homeowners.

This is only accomplished through maintenance and enhancement of the aesthetics and capital assets of the Emerald Estate Homeowners Association. The largest factor in this objective is to carefully monitor the collection of levies from each unit. Owners who fail to pay - or pay late - upset the delicate balance of the Association's budget. This only causes the balance of the residents to suffer in the long run.

This Levy Policy Document is drafted in accordance with the Emerald Estate Homeowners Association (NPC) Memorandum of Incorporation, which is aligned with the Companies Act of South Africa.

The administration of the Estate is solely the responsibility of the elected Board of Directors. The Board delegate certain of the managerial powers to the Managing Agent or Estate Manager, including administration and collection of Levies.

All owners of Emerald Estate are automatically bound by the Rules, Guidelines and Policies of the Estate.

1. Definitions

"Levy"

includes any account invoiced by the HOA including, but not limited to, Levy, Special Levy, Sundry charges and CSOS.

"CSOS"

Community Scheme Ombud Service, a compulsory requirement for all community schemes to register with the service and all unit owners to pay a levy. This will be calculated by taking your monthly levy, deducting R500 and then calculating 2% of this amount

"Residents"

includes owners and tenants. However the Owner shall **always** remain ultimately liable for all Levy charges.

2. Levy Determination

The monthly Levy for Emerald Estate is determined following the Budget planning of the Board. Based on the following years Budget, the Levy is proposed to the residents at the AGM (Annual General Meeting). Residents receive a notice of the proposed Levy in their AGM pack, and Vote on acceptance of the proposed Levy at the AGM. The CSOS Levy is mandatory, and whilst it collected by the Levy Collection Agent, this amount is transferred monthly to CSOS.

The new monthly Levy shall become effective on the 1st of January every year, coinciding with Emerald Estate Financial year (1 January to 31 December).

Any resident who has outstanding levies and/or other outstanding sums, shall not be entitled to vote at the AGM – per provisions of the Emerald Estate Memorandum of Incorporation, section 2.11 subsection 13, which states, *“Notwithstanding anything to the contrary herein contained, no person other than a member duly registered and who shall have paid every levy and other sum, if any, which shall be 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 to vote on any question, either personally or by proxy, at any general meeting.”*

3. Levy Frequency

Levies are invoiced in twelve equal monthly instalments and payment is due in ADVANCE by the 1st of the month as laid down in the rules of the Estate. Because all levies due are required timeously in order for the Estate to meet its financial obligations, the late receipt of payments is detrimental to the financial interests of the Estate.

In accordance with the provisions of Emerald Estate Memorandum of Incorporation, section 2.13 subsection 4, states: *“Unless otherwise resolved by the Board, every levy shall be payable in equal monthly instalments due in advance on the first day of each month of the financial year.”*

Late payment of Levy accounts is detailed under “Defaulter/Outstanding Levies” in paragraph 5 below.

4. Sundry Charges

Sundry charges may be allocated to a resident’s Levy account. These can typically be (but are not limited to);

- a) Biometric Access : An amount of R100 is charged for any addition to the Biometric Access system for Emerald Estate.
- b) Fines : Any resident who has transgressed an Estate Rule, and who has received communication to this effect, in accordance with the Estate Transgression Schedule, the fine will be added to the Levy account.
- c) Unpaid Garden Services : Per Resolution of the Board in 2012, and approved at 2012 AGM, any outstanding Garden Service payments more than 90 days in arrears will be loaded onto the Levy account.
- d) Clearance Certificate fee : For any property sold and in process of transfer, the Estate issues a clearance certificate for the transfer period. Currently this certificate fee is R600.
- e) Default reminder fees : As detailed in (5) below.
- f) Cash and Cheque deposit fees : As detailed in (8) below

5. Defaulters / Outstanding Levies

Any owner of an erf in Emerald Estate who has not paid their Levy within the prescribed period shall be liable for and pay all legal costs, including cost as between attorney and client, collection commission, expenses and charges incurred by Emerald Estate in obtaining recovery of arrear levies, or any other arrear amounts due and owing by such owner to the Estate, or in enforcing compliance with this policy, the Estate rules, or the Memorandum of Incorporation. The HOA Board shall be entitled to charge interest on arrear amounts at such rate as they may from time to time determine.

A resident is considered in arrears of his payment of the Estate Levy account if payment is not made by the 7th of the month.

- a) A first reminder letter will be issued within 7 days of levies remaining unpaid (R50).
- b) A second reminder letter within 7 days of the first letter being issued (R150).
- c) Letter of final demand should the owners Levy account remain unpaid for 30 days: (R250)
- d) Should an owner's Levy account be in arrears for an amount of equal to or more than 3 months of the monthly Levy amount (excluding CSOS) – then the following action will be taken;
 - The owners Biometric Access will be disabled - including all persons registered to that house for biometric access.
 - No owner will be denied entry into the Estate, however they will have to sign in and out of the Estate at the Visitor's Access and Exit – in the same process as employed by the guards for visitor access. The owner's drivers license or ID will be scanned, as well their vehicle license.
 - Any domestic workers / gardeners etc. who have biometric access to the estate will have to be collected from, and delivered back to the Gatehouse by the owner.
 - Biometric Access will only be re-enabled by the Estate Administrator, 24 hours after proof has been provided that the **full outstanding amount** has been settled – i.e. The account balance must be ZERO.
 - At the same time the overdue account, and any additional costs associated thereto, shall be handed over to attorneys for collection and possible legal action.

6. General

The Levy invoice AND statement are distributed via email to all owners on the 25th of each month – and Levies are payable by the 7th of the following month.

Residents who, in exceptional circumstances, cannot pay their Levy account before the 7th of the month, are to formally communicate this in writing to the Estate Manager, who will forward this to the Emerald Estate HOA Board. The formal request must - in writing – include the owners proposed payment arrangement.

This application can either be accepted or declined by the Estate Board after reviewing the facts of the case. Should the request be granted, the terms of the arrangement made will be non-negotiable. Accordingly, should the resident default on the arrangement, the normal collection rules as detailed above will apply.

7. Payment details

Emerald Estate ONLY accepts EFT payments. Under NO circumstances is cash received for any Levy payments.

EFT payments are made to Emerald Estate's Levy Account. This account is only for Levy payments, and bi-monthly transfers are made from this working account to the Estate's existing current account.

The bank details for payment of Emerald Estate Levies are;

Emerald Estate HOA

Standard Bank

Greenstone Branch (016 342)

Account number : 220 117 098

Reference to be used : "Levy (house number)" – eg. : "LEVY 351"

Residents do not need to send any proof of payment to the Estate.

8. Cash & Cheque deposits

For residents who deposit Cheques or Cash into the account, Standard Bank charge a Cash or Cheque deposit fee. This fee will be added to the owners subsequent Levy invoice.

9. Effective Date

This Policy was ratified and adopted at the Emerald Estate A.G.M, held on the 23rd August 2019, and comes into effect on the 1st September 2019 – for application effective 7th October 2019.