

ANNEXURE A



THE COVES GOVERNING BODY NPC PENALTY STRUCTURE

1. GENERAL PENALTIES

1.1. Services and Infrastructure at The Coves

Sewerage System: The administration office has the right to inspect all houses' external connections, gullies, pool back-wash, etc. Residents will be contacted prior to inspections to ensure the date / time is convenient. Should any breach of requirements listed in the Rules be found, a penalty of R10,000 will be applied.

1.2. General Conduct

Reckless endangerment or abuse to persons, whether it be other residents or The Coves employees, or damage to property may result in a case being opened with the SAPS and a penalty of R5,000 being imposed.

1.3. Breach of Access

Any breach of access or abuse of The Coves staff or their appointed agents attracts a penalty of R5 000. The Coves makes use of close circuit camera surveillance.

1.4. Reckless and Negligent Driving

Any reckless or negligent driving attracts a penalty of R5 000.

1.5. Speeding Penalties

The roads within the Estate are defined as servitudes granting a right of way exclusively to be used by the members, their visitors, employees and contractors.

Penalties for speeding:

- 5 to 10 km/h over the speed limit or failure to adhere to a road sign, a written warning is issued for the first offence thereafter a penalty of R 50.
- 10 to 19 km/h over the speed limit, no warning – penalty R 100.
- 20 km/h and more, no warning – penalty R200.

Penalties will be escalated for repeat offenders. The board may in its discretion impose a higher penalty, or such other legal remedies available to The Coves for repeated offenders.

1.6. Generators

All generators connected into your DB board must be installed by a qualified electrician and have a Certificate of Compliance. The administration office has the right to inspect any generator installation. If a generator is found to be illegally connected and feeding back into our power grid, there is a penalty of R20 000.

1.7. Penalties for Pet Infractions

Pets are to be restricted to resident's own property and on a leash when off the property. Dogs must be under the control of the owner at all times and not be a nuisance to the neighbours.

- First complaint of incessant barking, cat intrusion or roaming dogs- a written warning. This also applies to having more pets than permitted.
- Second complaint R 1 000.
- Third complaint R 2 000.
- Fourth complaint R 4 000 and request to remove the animal from the Estate.

Failure to comply may result in legal action. A dangerous animal, attacking a person or another dog without provocation will result in a penalty of R5 000 and a request to remove the animal from the Estate.

1.8. Boating and Water Use Rules

In the event of non-compliance to SAMSA rules and/or reckless endangerment of persons or property The Coves Governing Body reserves the right to impose a penalty of R5 000.

1.9. Storage of Kayaks/Canoes etc

A storage area has been created for kayaks, canoes and rowing skiffs. Residents can apply to use these at the administration office at a nominal charge. Respect for other peoples' property must be observed. Any resident found taking a craft without permission from the owner will receive a penalty of R2 000.

1.10. Businesses at The Coves without written consent of the Directors

Penalty: Business activity to cease while application is made.

1.11. Current Year Penalties

Specific penalties are reflected above. Where no specific penalty is shown the following penalties apply:

- a. Written Warning issued to member.
- b. First penalty: R1 000.
- c. Second penalty: R2 000.
- d. Thereafter: The penalty doubles on every occurrence, or monthly as applicable.
- e. Where the situation is not rectified, The Coves may take legal action to resolve the matter. Any legal costs incurred will be for the owners account on an attorney/client basis.

2. ARCHITECTURAL PENALTIES

Owners are to ensure and verify that they adhere to the latest issue of Architectural Guidelines and Builders Code of Conduct. These guidelines apply to maintenance and additions as well as to new builds.

2.1. Building Time – Limit

Construction shall be completed within 12 (twelve) months from the date of commencement. Commencement in this context shall incorporate the approval of building plans by the Local Municipality of Madibeng and the payment of the builder's deposit, the amount of which deposit shall be determined by the Directors from time to time.

Penalties in relation to the afore mentioned points:

- Warning.
- First penalty R 5 000.
- Second penalty R 10 000.
- Third penalty R 20 000.

2.2. Sign off and Occupation

Provided that all conditions and requirements have been met, a Certificate of Completion will be issued by The Coves Governing Body.

- a. Unless and until such Certificate of Completion is issued, the Member may not occupy the house or outbuildings, and The Coves Governing Body reserves its rights to take measures against such occupancy; and
- b. For the re-sale of existing or completed houses, the HOA shall inspect and verify compliance of the house with its approved plans, and ensure that no illegal alterations or additions have been done. This verification to be provided before The Coves Governing Body issues its levy clearance certificate.

2.3. External paint colours for properties

Paint colours must be in accordance with the architectural guidelines and approved by ARAC before painting commences. Paint swatches have to be done on the walls applicable.

Penalty: The work to be stopped and the property to be re-painted in an approved colour.

2.4. Non-compliance with the Architectural Guidelines and or approved plans

In cases of non-compliance during or after construction a non-compliance certificate will be issued where deemed necessary. Rectifications must be made at the member's cost within the provided time frame.

Should the necessary work not be affected timeously, monthly penalties as determined by the Company may be levied until such work has been carried out to the satisfaction of the ARAC.

2.5. The Building Deposit

- a. The building deposit will only be refunded upon the completion of the dwelling in accordance with the approved plan.
- b. In the event of damage to any property or infrastructure, The Coves Governing Body will deduct from the deposit the amount to repair the damage caused, or institute legal steps to recover the cost to repair the damage caused.

3. GENERAL

The time between penalties and the escalation will depend on the offence and will be imposed by the Estate Manager.

If a further transgression of a specific rule has not occurred within one year of the original event, it is deemed to have expired.

Unpaid penalties will attract interest in the same manner as the Levies. If they are not paid, access via the biometric system may be revoked.