THE COVES
NATURALLY PERFECT
THE COVES GOVERNING BODY NPC, REGISTRATION NUMBER: 2003/010909/08
P.O. Box 973, Broederstroom 0240, Tel: 012-207 1465
www.thecoves.co.za

**NON-EXECUTIVE DIRECTOR AGREEMENT**

**Entered into by and between**

**The Coves Governing Body NPC ("the Company")**

**AND**

____________________________________

**FULL NAME("DIRECTOR")**

**THE PARTIES AGREE AS FOLLOWS:**

## 1. INTERPRETATION

### 1.1. Definitions:

For purposes of this Agreement, unless the context requires otherwise, the following words and expressions shall have the following meanings, and related words and expressions shall have corresponding meanings:

1.1.1. **"the Board"** means the Board of Directors of THE COMPANY lawfully appointed thereto;

1.1.2. "**Companies Act**" means the Companies Act 71 of 2008 and its regulations as amended from time to time;

1.1.3. **"confidential information"** means THE COMPANY's confidential information, including but not limited to the following:

1.1.3.1. know-how, processes, techniques, methods, designs, and organisational and other structures employed in the business of the Company;

1.1.3.2. the contractual and financial arrangements between the Company and its suppliers, customers, clients, and other business associates;

1.1.3.3. the financial details of the Company, including their results until and unless published in accordance with relevant legislation;

1.1.3.4. the business strategies of the Company;

1.1.3.5. all other matters which relate to the business of the Company in respect of which information is not readily available in the ordinary course of business to the public.

1.1.4. **"**(this) **Contract or Agreement"** means the text of this agreement and all schedules and annexures which together form an integral part of the agreement between the Parties;

1.1.5. **"Director"** means ___________________________ ID number: ________________________

1.1.6. “**effective date**” means the date of signing of this agreement.

1.1.7. “**Parties**” means the Company and the Director, and **“the Party”** being either the Company or the Director as the context may indicate;

1.1.8. “**The Company**” means The Coves Governing Body NPC, a company duly incorporated in accordance with the laws of South Africa with registration no. 2003//010909/08

1.1.9. “**termination date**” means the date on which the Director’s appointment as a non-executive director of the Board is terminated in accordance with the provisions of this Contract and the Memorandum of Incorporation of the company.

**1.2. General Interpretation:**

For purposes of this Contract, the following rules of construction and interpretation shall apply, unless otherwise provided and/or the context otherwise requires:

1.2.1. any word or expression defined in, and for, this Contract shall, if expressed in the singular, include the plural and vice versa, and a cognate word or expression shall have a corresponding meaning;

1.2.2. a reference to any one gender, whether masculine, feminine, or neuter, includes the other two, and any natural person includes a juristic person or vice versa;

1.2.3. any word or expression defined in any clause shall, unless the application of the word or expression is specifically limited to the clause in question, bear the meaning ascribed to the word or expression throughout this Contract;

1.2.4. if any provision in a definition is a substantive provision conferring a right or imposing an obligation on any party then, notwithstanding that it is only in a definition, effect shall be given to that provision as if it were a substantive provision in the body of this Contract and words and expressions defined in a clause shall, under the application of such word or expression is specifically limited to that clause, bearing the meaning assigned to such word or expression throughout this Contract;

1.2.5. references in this Contract to “clauses” and/or “schedules” and/or “annexures” and/or “appendices” are to clauses and/or to schedules and/or annexures and/or appendices (as the case may be) in this Contract;

1.2.6. any reference in this Contract to this Contract or any other agreement, document, or instrument shall be construed as a reference to this Contract or that other agreement, document, or instrument as validly amended, varied, novated, or substituted from time to time;

1.2.7. words and expressions defined in any law that are referred to in this Contract and which are not defined in this Contract shall, if and in the context of and/or in relation to that law, have the same meanings in this Contract as those ascribed to them in that law;

1.2.8. references to an enactment, i.e. a statutory provision, including any subordinate legislation, shall be construed as a reference to that enactment, as at the date of signature, and as amended from time to time, which applies to this Contract or any transaction entered into in accordance with this Contract; the use of the word "including" or “includes” followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the eiusdem generis rule shall not be applied in the interpretation of such general wording or such specific example(s);

1.2.9. terminology used, i.e., in terms hereof; herein; hereunder; hereto; hereof and/or here from, will, in terms of this Contract, mean and relate to this Contract, in terms of this Contract, under this Contract, to this Contract, of this Contract and from this Contract, respectively, as the case may be;

1.2.10. if any period is referred to in this Contract by way of a reference to a number of days or weeks or months or other intervals, the period shall be reckoned exclusively of the first day and inclusively of the last day of the relevant interval; provided that if the last day falls on a day which is not a business day, then the last day will be the next succeeding business day;

1.2.11. any reference to days (other than a reference to business days), months or years shall be a reference to calendar days, months or years, as the case may be, which reference to a "business day" will mean a calendar day which is not a Saturday, Sunday or a public holiday in the Republic of South Africa as Gazetted from time to time, and a business day shall be construed as being the hours between 08:00 and 17:00 on any business day, based on South African Standard Time (SAST);

1.2.12. words or expressions having a meaning that is similar to any word or expression that is defined in this Contract shall have the same meaning as the word or expression that is so defined;

1.2.13. where figures or amounts are referred to in numerals and in words, if there is a conflict between the two, the words shall apply;

1.2.14. reference to a contracting party, i.e., the party/parties shall include that contracting party's successors in rights, title, function, and assigns unless specifically stated to the contrary in the definitions or elsewhere in this Contract;

1.2.15. any term which refers to a South African legal concept or process (for example, without limiting the foregoing, winding-up or curatorship) shall be deemed to include a reference to the equivalent or analogous concept or process in any other jurisdiction in which this Contract may apply or to the laws of which a party may be or become subject;

1.3. All the headings and sub-headings in this Contract are for convenience only and are not to be taken into account for the purposes of interpreting it.

## 2. INTRODUCTION

It is recorded that -

2.1. The Director is appointed as a non-executive director;

2.2. As a non-executive director of the Board, the Director shall not be an employee of the Company and shall not be involved in the day-to-day management of the Company; nor will any remuneration be paid other than reasonable expenses incurred by the Director.

2.3. This Contract is subject to the Company's Memorandum of Incorporation, the Company's Board Charter, and the relevant policies and procedures.

## 3. THE DIRECTOR'S DUTIES

The Director undertakes to -

3.1. Ensure that he or she allocates sufficient time and attention to properly fulfilling all responsibilities and duties owed to the Company;

3.2.1. sufficiently prepare in advance for all meetings and contribute at meetings to the benefit of the Company;

3.2.2. Complete, sign, and return all written resolutions, Board evaluations, and any other documents as requested by the Company within the time period as requested by the Company;

3.2.3. exercise the skill and care any reasonable person would be expected to show in looking after the Company's affairs, as well as having regard to his knowledge and experience;

3.2.4. ensure continuously that he/she has a sufficient understanding of the Company's business to discharge his/her duties as a non-executive director properly, including, where necessary, relying on expert advice;

3.2.5. not permit a conflict of duties and interests to taint his role as a non-executive director and to disclose potential conflicts of interest at the earliest possible opportunity;

3.2.6. familiarise himself/herself with the relevant software where applicable to your portfolio (i.e., We ConnetU, DocuSign) used by the Company and interact with the Company in the chosen method;

3.2.7. Be satisfied that he/she can take informed decisions;

3.2.8. take reasonable steps to improve and maintain the Company's reputation and standing;

3.2.9. In conjunction with other members of the Board, ensure that the required procedures and systems are in place to ensure statutory compliance and regularly request updated forecasts against which the Company's performance can be monitored;

3.2.10. obtain independent professional advice at the earliest opportunity in the event of him/she is being in doubt about any aspect of his/her duties in line with the Company's procedures for getting external advice;

3.2.11. attend all meetings required of him by the Company, unless he is, for good reason, unable to do so and gives reasonable notice thereof to the Company;

3.2.12. generally, show the Company the utmost good faith;

3.2.13. not exceed or purport to exceed or purport to have the right to exceed the express limits of the authority attendant to the position which he/she holds on the Board and as may be expressly conferred on him/her from time to time;

3.2.14. to keep such records and all other records of the Company's affairs which may be entrusted to him in a safe place, out of access to any other persons, save as specifically directed by the Company;

3.2.15. not, otherwise than for the benefit of the Company, make any notes or memoranda relating to any of its dealings or affairs;

3.2.16. carry out his/her role as a non-executive director in a lawful manner;

3.2.17. ensure he/she maintains a professional, robust, and respectful relationship with the other members of the Board;

3.2.18. not act on behalf of the Company in a manner which would bring discredit or injury to the Company;

3.2.19. Directors, as prescribed in the Coves MOI, are required to attend no less than 75% (seventy-five percent) of all duly convened Board meetings, whether held in person or via an approved virtual platform. Refer to point 5.7 of the Companies Board Charter.

3.2.20. Shall resolve all board-related concerns and disputes internally with the board and shall refrain from discussing board-related matters and concerns with any other person, staff member, or service provider.

## 4. DIRECTORSHIP

4.1. As a non-executive director of the Company, the Director will make himself fully acquainted with and will comply with the recommendations and guidelines published from time to time by the Institute of Directors of Southern Africa and comprising the King Reports on Corporate Governance and the Code of Corporate Practices and Conduct, the Companies Act 71 of 2008, as well as any other relevant legislation.

## 5. CONFIDENTIALITY

### 5.1. Definitions

Unless the context clearly indicates otherwise, the following terms have the meanings assigned to them below (and related terms will be interpreted accordingly)—

**5.1.1. "confidential records."**
All records of any nature, including documents, diagrams, data, electronic files, or any other materials created or stored in any medium, that contain, reflect, or relate to any Confidential Information, regardless of who created or owns the records.

**5.1.2. "successors-in-title or assigns"**
Includes, without limiting the generality of the term, any person, firm, company, or association of persons that:

5.1.2.1. acquires all or part of the business or goodwill of The Coves Governing Body;

5.1.2.2. becomes the beneficial owner, whether through shareholding or other lawful means, of the business or goodwill of The Coves Governing Body; or

5.1.2.3. lawfully acquires the right to enforce the confidentiality obligations contained in this agreement.

### 5.2. Scope of Confidential Information

5.2.1. "Confidential Information" includes, but is not limited to, all information relating to the operations, governance, finances, residents, security systems, service providers, strategic plans, internal procedures, and proprietary knowledge of The Coves Governing Body.

5.2.2. Confidential Information also includes all personal information about residents, employees, service providers, and contractors that is not publicly available.

5.2.3. Confidential Information does not include information that:

5.2.3.1 is or becomes publicly available without breach of this agreement;

5.2.3.2 is lawfully obtained from a third party who is not bound by a confidentiality obligation;

5.2.3.3 is independently developed without reference to Confidential Information; or

5.2.3.4 must be disclosed by law, regulation, or court order (subject to clause 5.5).

**5.3. Confidentiality Obligations**

5.3.1. All parties bound by this agreement must keep all Confidential Information strictly confidential.

5.3.2. Confidential Information may not be disclosed to any person without the prior written consent of The Coves Governing Body, except where disclosure is expressly permitted under this agreement.

5.3.3. Confidential Information must be used solely for the purposes directly related to fulfilling obligations to The Coves Governing Body and for no other purpose.

5.3.4. Each party must take all reasonable steps—at least the same steps taken to protect its own confidential information—to prevent unauthorised access, use, or disclosure of Confidential Information.

**5.4 Handling and Protection of Confidential Records**

5.4.1 Confidential Records must be stored securely and protected against loss, unauthorised access, copying, damage, or destruction.

5.4.2 No Confidential Records may be removed from the premises, systems, or control of The Coves Governing Body without proper authorisation.

5.4.3 Any electronic storage, transmission, or access to Confidential Information must comply with all data protection and information-security requirements applicable to The Coves Governing Body.

**5.5 Mandatory Disclosure**

5.5.1 If a party is legally compelled to disclose any Confidential Information, that party must, to the extent permitted by law:

5.5.2 notify The Coves Governing Body in writing before making the disclosure;

5.5.3 disclose only the minimum amount of information required; and

5.5.4 Cooperate with The Coves Governing Body in seeking to limit or prevent the disclosure.

**5.6 Return or Destruction of Confidential Information**

5.6.1 Upon termination of any relationship with The Coves Governing Body, or upon written request, all Confidential Records must be promptly returned or permanently destroyed.

5.6.2 A written statement confirming the completion of such return or destruction must be provided upon request.

**5.7 Duration of Obligations**

5.7.1 The confidentiality obligations under this clause remain in force during the term of the relationship with The Coves Governing Body and will continue indefinitely after such relationship ends

**5.8 Breach and Remedies**

5.8.1 Any unauthorised disclosure or misuse of Confidential Information will constitute a material breach of this agreement.

5.8.2 The Coves Governing Body is entitled to seek all remedies available at law or in equity, including interdicts, damages, and specific performance.

5.8.3 The remedies under this clause are cumulative and do not exclude any other rights or remedies available to The Coves Governing Body.

**5.9 Survival**

5.9.1 This confidentiality clause survives the termination, cancellation, or expiration of this agreement for any reason.

**6. DOMICILIUM AND NOTICES**

6.1. The parties choose domicilium citandi et executandi (“**domicilium”**). For all purposes relating to this agreement, including the giving of any notice, the payment of any sum, the serving of any process, as follows-

6.2. The Company:
Physical: The Coves Estate R512 Provincial Road Broederstroom

Postal: PO Box 973, Broederstroom 0240

Email: manager@thecoves.co.za

6.3. The Director:
Physical: ______________________________

Postal: ______________________________

E-mail: ______________________________

6.4. Either party shall be entitled from time to time, by giving written notice to the other, to vary its physical domicilium to any physical address (not being a post office box or posted restante) within the RSA, to vary its postal domicilium to any postal address within the RSA, and to vary its email domicilium.

6.5. Any notice or payment given by either party to the other (“the addressee”) shall be deemed to have been received as follows:

6.5.1. If delivered by hand to the addressee’s physical domicilium between the hours of 08:00 and 17:00 on any business day, it shall be regarded as received at the time of delivery; and

6.5.2 If sent by prepaid registered post to the addressee’s postal domicilium, it shall be deemed—unless the addressee proves otherwise—to have been received on the tenth (10th) day following the date of posting.

6.6. Any notice given by either party to the other, which is successfully transmitted by email to the addressee's chosen email domicilium, shall be deemed to have been received by the addressee on the day following the date of successful transmission, unless the addressee proves otherwise.

6.7. Any notice in terms of or in connection with this agreement shall be valid and effective only if in writing and if received or deemed to be received by the addressee.

**7. BREACH OF FIDUCIARY DUTIES, MISCONDUCT, OR FAILURE TO ATTEND MEETINGS**

7.1 **Breach of Fiduciary Duties:**
Any failure by a Party, director, or representative to act in good faith, with due care, loyalty, or in the best interests of the Company shall constitute a material breach of this Agreement. This includes, but is not limited to, misuse of confidential information, conflict of interest, self-dealing, or acting in a manner that compromises the integrity or lawful operation of the Company;

7.2 **MISCONDUCT:**
Any act of gross negligence, willful misconduct, dishonesty, fraud, corruption, or behaviour bringing the Company into disrepute shall be deemed a material breach of this Agreement. The affected Party shall be given written notice of the misconduct. It may be subject to disciplinary action, termination of appointment, or any other remedy available under law or this Agreement.

7.3 **FAILURE TO ATTEND MEETINGS:**
Repeated or unjustified failure to attend required meetings, including board, committee, or operational meetings, after receiving reasonable notice, shall constitute a breach of this Agreement. Directors are obliged to attend 75% (seventy-five percent) of all duly convened Board meetings, whether held in person or via an approved virtual platform. In accordance with the Company's Memorandum of Incorporation (MOI), the Board must convene a minimum of one meeting per quarter, amounting to four (4) meetings per financial year. Directors are therefore obligated to attend no fewer than three (3) Board meetings per year.

7.4 **Consequences of Breach:**
In the event of any breach contemplated above, the non-breaching Party shall provide written notice specifying the nature of the breach and a reasonable period to remedy such breach, where applicable. If the breach is not remedied within the specified time, or if the breach is of such a nature that it is incapable of remedy, the non-breaching Party shall be entitled to pursue any rights or remedies available under this Agreement or applicable law, including termination, damages, or equitable relief.

**8. ASSIGNMENT**

The Director shall not be entitled to cede, assign, transfer, encumber, or delegate any of his rights, obligations, and/or interests in, under, or in terms of this agreement to any third party without the prior written consent of the Chairman

**9. GENERAL**

9.1 This agreement constitutes the sole record of the agreement between the parties concerning the subject matter thereof and shall substitute any other agreement between the parties in respect of the subject matter of this agreement.

9.2 Neither party shall be bound by any express or implied term, representation, warranty, promise, or the like not recorded herein.

9.3 No relaxation, extension of time, latitude or indulgence which any of the parties (the "Grantor") might show, grant or allow to another (the Grantee") shall in any constitute a waiver by the Grantor of any of the Grantor's rights in terms of this agreement and the Grantor shall not thereby be prejudiced or etopped from exercising any of its rights against the Grantee which may have then already arisen or which may arise thereafter.

9.4 No alteration, variation, amendment, or purported consensual cancellation of this agreement or any deletion therefrom shall be of any force or effect unless reduced to writing and signed by or on behalf of the parties hereto.

**10. SEVERABILITY**

10.1 If any provision of this agreement is held to be illegal, invalid, or unenforceable for any reason, such provision shall be deemed to be pro non scripto, but without affecting, impairing, or invalidating any of the remaining provisions of this agreement, which shall continue to be of full force and effect.

10.2 If any provision of this agreement, which is not a material provision, becomes ineffective or impractical, the parties shall negotiate in the utmost good faith to agree upon a suitable substitute provision or upon alternative compensation to be payable to the party disadvantaged by such provision.

**11. GOVERNING LAW**

This agreement shall be governed by and construed in accordance with the laws of the RSA.

**12. DISPUTE RESOLUTION**

12.1. The Board believes that internal and external disputes should be resolved as effectively and expeditiously as possible. To this end, consideration should be given to each material, financial, or reputational dispute, whether through consultation settlement, mediation, arbitration, litigation, or other forms of alternative dispute resolution, to determine the most effective approach to resolve the dispute in the best interests of HOA.

12.2. Each party to this agreement –

12.2.2 expressly consent to any arbitration in terms of the aforesaid rules being conducted as a matter of urgency; and irrevocably authorise the other to apply, on behalf of all parties to such dispute, in writing, to the secretariat of AFSA in terms of article 23(1) of the aforesaid rules for any such arbitration to be conducted on an urgent basis.

12.2.2 This clause shall not preclude any party from obtaining interim or temporary relief by way of motion proceedings on an urgent basis from the High Court of South Africa (Witwatersrand Local Division) pending the decision of the arbitrator. The parties consent to the exclusive jurisdiction of the Northwest Local Division of the High Court of South Africa for the aforesaid purpose.

12.3 The provisions of this clause shall survive termination of this agreement.

**THUS, DONE and SIGNED at ..................................... on this ......... day of .................................... 2026 in the presence of the undersigned witnesses.**

**AS WITNESSES**:

**1.** ..................................................

**2.** ..................................................

..........................................................

for and on behalf of **the Company**

**THUS, DONE and SIGNED at ____________________on this the ____ day of ________________ 2026 in the presence of the undersigned witnesses.**

**AS WITNESSES**:

**1.** ………………………………………………

**2.** ………………………………………………  ………………………………………….

**The Director**

| Date | Version | Process |
|---|---|---|
| 22 January 2026 | V1 | |
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