

GREENWAYS

GOLF ESTATE

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TRUSTEE STATEMENT

1 PURPOSE OF THE TRUSTEE STATEMENT

- 1.1 The purpose of the Statement is to provide for –
 - 1.1.1 the conduct of the Trustee Committee; and
 - 1.1.2 the functions, operations and governance of the Trustee Committee.
- 1.2 Specifically, this Statement will guide members of the Trustee Committee in –
 - 1.2.1 preserving the integrity of The Trustee Committee and enhancing its autonomy;
 - 1.2.2 ensuring sound financial management;
 - 1.2.3 fostering an effective relationship between the Trustees and Members of the Greenways Country Estate Home Owners' Association; and
 - 1.2.4 contributing to the effective and efficient functioning and performance of the Trustee Committee.
- 1.3 In upholding the integrity of the Trustee Committee, Trustees are expected –
 - 1.3.1 not to act in any way or expose themselves to any situation involving the risk of a conflict between their official responsibilities and private interests, or use their position or any information entrusted to them, to enrich themselves or improperly benefit any other person; and
 - 1.3.2 not to demonstrate any form of unprofessional conduct and/or behaviour.

2 TRUSTEE COMMITTEE

- 2.1 The Trustee Committee consists of Members of the Greenways Country Estate Home Owners' Association (hereafter called the "**Association**"), duly elected and appointed in terms of clause 11 of the Constitution of the Association.
- 2.2 The Trustee Committee (hereafter called the "**Committee**") is responsible for the management and governance of the Association.
- 2.3 The Committee should consist of no more than 7 and no less than 5 elected or appointed Members of the Association.
- 2.4 The Trustees must appoint the Chairperson and Vice-Chairperson of the Committee from the Trustees of the Committee.
- 2.5 The Committee must assign Trustees of the Committee to the stipulated management portfolios, based on their knowledge and skills.
- 2.6 The Committee may designate any other Trustee of the Committee to act as Chairperson if both the Chairperson and the Vice-Chairperson are absent or unable to perform their functions.
- 2.7 A Trustee of the Committee holds office for a period not exceeding 1 year and may be reappointed on expiry of his or her term.

3 FUNCTIONS OF THE COMMITTEE

The Committee must –

- 3.1 implement the mandate contemplated in the Constitution of the Association and any strategic plan of the Association in order to achieve the objectives of the Association;
- 3.2 make reasonable and objective decisions on behalf of the Association and ensure that these decisions are carried out;

- 3.3 provide guidance to the Estate Manager in the performance of his or her duties and functions;
- 3.4 notify the Members of the Association, via the Chairperson of the Committee or the Estate Manager of the Association, of any matter that may prevent or materially affect the achievement of the objects or financial targets of the Association; and
- 3.5 refer to the Members of the Association, via the Chairperson of the Committee or the Estate Manager of the Association, any matter concerning the adverse functioning of the Association.

4 DISQUALIFICATION FROM TRUSTEESHIP OF THE TRUSTEE COMMITTEE

A person may not be appointed as or remain as a Trustee of the Committee, other than in accordance with the Constitution of the Association.

5 RESIGNATION AND REMOVAL FROM OFFICE

- 5.1 A Trustee of the Committee may resign by giving to the Chairperson written notice to that effect.
- 5.2 The Committee may, subject to the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000), only remove a Trustee of the Committee from office in the circumstances permitted by the Constitution of the Association.
- 5.3 No Trustee of the Committee may approve, sanction or permit any vote of no confidence or similar proposal/resolution in respect of any other Trustee of the Committee ("**the Affected Trustee**") unless all Trustees of the Committee (except the Affected Trustee) confirm, as part of the minutes of the meeting at which such decision is taken, that –
 - 5.3.1 they are satisfied that the decision is in the best interests of the Association and its Members;

- 5.3.2 they are satisfied that the Affected Trustee is fully aware of the matters that gave rise to the proposed decision and has been given an adequate opportunity to address the other Members / Trustees on such matters;
- 5.3.3 they are satisfied that acceptable procedures have been followed before such decision is made;
- 5.3.4 they have carefully considered the impact of such decision;
- 5.3.5 they have considered all alternate remedies that are available to them; and
- 5.3.6 the Affected Trustee has –
 - 5.3.6.1 committed a material breach of this Trustee Statement or the Constitution of the Association; or
 - 5.3.6.2 engaged in serious misconduct which is prejudicial to the Association and its Members; or
 - 5.3.6.3 persistently disrupted meetings of the Committee to an extent that the Committee is not able to function in the best interests of the Association and its Members.

6 FIDUCIARY DUTY: DISCLOSURE AND RELATIONSHIP WITH OTHER TRUSTEES

- 6.1 A Trustee of the Committee may not be present, or take part in, the discussion of or the taking of a decision on any matter before the Committee in which that Trustee or his or her family member/s, business partner/s or associate/s have a direct or indirect financial interest.
- 6.2 If a Trustee of the Committee acquires an interest that could reasonably be expected to be an interest contemplated in this Statement, he or she must, without delay, declare that interest to the Committee.
- 6.3 If an organisation or enterprise in which a Trustee of the Committee has an interest contemplated in this Statement is requested to offer its services to the Association,

or is in the process of concluding any agreement with the Association, the organisation or enterprise must, without delay and in writing, declare the interest of such Trustee to the Committee.

- 6.4 A Trustee of the Committee must at all times exercise the utmost good faith, honesty and integrity, care and diligence in performing his or her functions as a Trustee of the Committee, and, in furtherance of these functions and without limiting their scope, must –
- 6.4.1 take reasonable steps to inform himself or herself about the Association, its business and activities and the circumstances in which it operates;
 - 6.4.2 take reasonable steps, through the processes of the Committee, to obtain sufficient information and advice about all matters to be decided by the Committee to enable him or her to make conscientious and informed decisions;
 - 6.4.3 attend all meetings of the Committee, unless excused by the Chairperson or Vice-Chairperson of the Committee;
 - 6.4.4 exercise an active and independent opinion with respect to all matters to be decided by the Committee, regardless of whether the matter in question falls within any portfolio allocated to him/her;
 - 6.4.5 exercise due diligence in relation to any business of, and necessary preparation for and attendance at meetings of, the Committee or any subcommittee to which such Trustee of the Committee is appointed;
 - 6.4.6 not engage in any activity that may undermine the integrity of the Association;
 - 6.4.7 not make improper use of his or her position as a Trustee or of information acquired by virtue of his or her position as a Trustee of the Committee;
 - 6.4.8 treat any confidential matters relating to the Association, that is obtained in his or her capacity as a Trustee of the Committee, as strictly confidential and not divulge them to anyone without the authority of the Committee, or as required as part of that Trustee's official functions as a Trustee of the Committee, or as

otherwise justified in good faith and in the best interests of the Association;
and

6.4.9 treat other Trustees of the Committee and Members of the Association with respect, dignity and consideration.

6.5 This Statement must be interpreted as adding to, and not deviating from, any law relating to the criminal or civil liability of a Trustee of a governing body, and criminal or civil proceedings that may be instituted in respect of such a liability.

6.6 A Trustee who contravenes or fails to comply with clause 6 of this Statement may be disqualified in terms of clause 5 of this Statement.

7 SUBCOMMITTEES

7.1 The Committee may establish one or more subcommittees to perform such functions as the Committee may determine.

7.2 The Committee must assign Members of the Association to serve on a subcommittee, based on their knowledge and skills, and determine the –

7.2.1 terms of reference of a subcommittee;

7.2.2 composition of a subcommittee;

7.2.3 tenure of members on a subcommittee;

7.2.4 reporting mechanisms of a subcommittee; and

7.2.5 methods and reasons for removal of a member from a subcommittee.

7.3 The Committee may appoint specialists to a subcommittee for their technical support.

7.4 Unless specifically delegated by the Committee, a subcommittee has no decision-making powers and can only make recommendations to the Committee.

7.5 A subcommittee must meet as often as is necessary in order to carry out its functions and may determine its own procedures.

8 DELEGATION AND ASSIGNMENT OF FUNCTIONS BY THE COMMITTEE

8.1 The Committee may, by a resolution duly passed by its Trustees, delegate any of its powers and assign any of its functions to –

8.1.1 any Trustee of the Committee;

8.1.2 any subcommittee established in terms of clause 7 of this Statement;

8.1.3 the Estate Manager; or

8.1.4 any employee of the Association.

8.2 Notwithstanding a delegation or assignment contemplated in clause 8 of this Statement, nothing prevents the Committee from amending or revoking any such delegation or assignment, or exercising or performing any power or duty so delegated or assigned.

8.3 Any delegation or assignment contemplated in clause 8.1 of this Statement –

8.3.1 may be made subject to such conditions as the Committee may determine; and

8.3.2 the written communication contemplated in clause 8 of this Statement must contain full particulars of the matters being delegated or assigned and of the conditions subject to which the power may be exercised, or the function must be performed.

9 STAFF OF THE HOME OWNERS' ASSOCIATION

9.1 The Committee must determine the staff complement necessary to enable the Association to perform its functions.

- 9.2 The staff contemplated in clause 9.1 of this Statement are appointed subject to the terms and conditions determined by the Committee.

10 SECURITY OF INFORMATION

A Trustee of the Committee may not disclose any information kept by the Committee unless –

- 10.1 it is done in terms of and subject to any applicable law that compels or authorises the disclosure;
- 10.2 it is done in good faith and in the interests of the Association; or
- 10.3 it is legally required for the purpose of monitoring, evaluating, investigating or considering any activity relating to the Association.

11 LIMITATION OF LIABILITY

Unless the exercise of or failure to exercise the power, or performance or failure to perform the duty under this Statement was unlawful, grossly negligent or in bad faith, neither the Committee, nor any of its Trustees, is liable for any damage or loss caused by –

- 11.1.1 the exercise of a power or the performance of a duty under this Statement; or
- 11.1.2 the failure to exercise a power or perform a duty under this Statement.

12 ACKNOWLEDGEMENT

I hereby acknowledge that I have read and fully understand all of my obligations, duties and responsibilities under each principle and provision of this Trustee Statement.

Trustee's signature

Trustee's name (please print) _____

Date _____