

Meeting strict Sectional Title rules

AN ASSOCIATION such as a club, political, community or sport organisation have a constitution that, broadly speaking, governs the relationship of members, outlines the aims and objectives of the body and fixes the date for the finalisation of its financial statements and annual general meeting (AGM).

Members are notified within a specific period of any meeting and the audited financial statement is circulated either before or on the day of the AGM.

A body corporate is an association of owners in a sectional title scheme and is a powerful entity with powers given to it by the Sectional Titles Act 96 of 1985 as amended.

The AGM of a body corporate must be held within four months of the end of its financial year. Each owner must be given a notice of the AGM and such notice must be accompanied by the audited financial statement, the following financial year's budget and the past financial year's annual report.

An owner can demand an explanation for the delay in holding an AGM and can even approach the Court to compel the trustees to convene an AGM that is overdue.

A Special general meeting can be convened for the discussion of urgent matters, provided the owners who are entitled to at least 25% of the total of the quotas of all sections, make a written request.

Unless the trustees deem it necessary to hold a special meeting urgently, a minimum of thirty days notice of special meeting must be given to owners.

Other general meetings can be held provided at least fourteen days notice is given to all owners- unless all attendees agree to a shorter notice period. Those who are required to attend are all the owners and all sectional mortgagees and managing agent.

Notice of a meeting must be sent by prepaid post to the owner's sectional unit or can be placed in a letter box if there was a unanimous agreement by owners for such a change in a new management rule.

Changing this rule can only take place if 50% of the sectional units are owned by persons other than the developer.

Sayed Iqbal Mohamed