

STANDARD OPERATING PROCEDURE
OF
MEMBERSHIP FOR CIDS

All CIDs are registered as Non-Profit Companies (NPCs) with Members and must have a legally compliant membership register and published membership list.

MEMBERSHIP APPLICATIONS

Step 1: The CID Compliance Section must provide each CID with Membership Forms for both Private Individuals (**Annexure A**) and Juristic Persons (**Annexure B**) respectively. CIDs to upload the membership application forms on their website with a note on the homepage inviting eligible ratepayers within the CID boundary to apply for membership.

Step 2: When membership applications are received, the CID needs to verify that the applicant is eligible for membership, appears on the latest property database (to confirm that the official member is also the registered property owner) and all required information is completed correctly on the membership application form. Each member must be assigned a unique membership number.

All property owners liable for the additional rate are eligible for membership. Any property owner that receives a rates rebate does not qualify for membership. Members will lose their membership should they receive a rates rebate.

Private Individuals: Only one membership can be granted for persons owning property as private individuals. In the case of joint ownership or ownership with multiple owners, it is still only one membership. The owners must decide between themselves who will be the representative. The representative must clearly be identified on the application form.

Juristic Persons: Only one membership is granted per juristic person. It can be that one person is the owner of multiple companies with multiple properties which will result in that person having multiple memberships as membership is granted per juristic person. For every juristic person member there must be an assigned representative. The assigned representative can only be appointed by way of a resolution or letter of authorization which must be attached to the membership form.

Step 3: At the next Board meeting, present all membership applications to the Board to formally approve. The minutes must clearly indicate the member number and name which will be filed with the application form.

Step 4: Once the Board has approved the membership applications, update the Membership Register as well as the Membership list with the member's information. The membership register is to be kept at the CIDs registered office and the membership list published on the CID's website. All membership application forms with supporting documents must be filed together. As a backup it should be scanned in and kept electronically.

- Membership register (must not be published on the website) must at least contain the following information (**Annexure C**):
 - Unique Membership Number – allocated by the CID
 - Erf Number – confirmed on the property database
 - Sectional Title ID (If applicable) – extracted from the property database
 - Address – confirmed on the property database
 - Registered Owner / Juristic Person - confirmed
 - Trading Name (If applicable) – supplied by applicant
 - Nominated Representative – supplied by applicant
 - ID Number – supplied by applicant
 - Contact Number – supplied by applicant
 - Email Address – supplied by applicant
 - Municipal Valuation extracted from the property database
 - Number of Votes – allocated by CID based on valuation
 - Date Accepted – CID to supply

Personal information must under no circumstances be published with the membership list to avoid contravening the POPI Act.

- Membership list (must be published on the website) is an extract from the Membership register and must at least contain the following columns (**Annexure D**):
 - Unique Membership Number
 - Registered Owner / Juristic Person
 - Trading Name (If applicable)

Step 5: If a member hasn't been active for two years (not attended the last two AGM's proxy or present) their membership lapses. If they want to become active members again they will need to re-apply.

MEMBERSHIP AGM PROTOCOLS

Fifteen business days prior to the AGM all relevant documentation needs to be loaded onto the CID website and sent to its members. Included in this documentation are the membership application forms. On the AGM Agenda and notice the community is advised that membership applications are to be sent to the CID at least 7 business days' prior to the AGM.

Step 1: Follow the '**MEMBERSHIP APPLICATIONS**' process as set out above for all membership applications received by the cut-off date.

Step 2: It is imperative that the CID finalises and publishes its membership lists as soon as possible after the Board approves the last intake of new members. At least 3 business days

before the CIDs AGM. This is to ensure that the quorum required at the AGM can be calculated before the meeting.

Step 3: The CID Finance Section (Joepie or Bonnie) will provide each CID with a property database which includes the latest valuations and payment status per property at least 3 business days before the meeting.

Members that are in arrears with their additional rates for more than 60 days will not be allowed to vote on any item. This requirement must be included on the AGM advertisement and notices.

Step 4: The CID Compliance Section must verify the validity of each CID`s membership list and provide each CID with the total number of votes required to establish a quorum at the AGM.

The quorum is calculated at 20 percent of the available votes of the total membership and not the number of properties as a person can own multiple properties.

To establish a quorum, the members` present at the meeting as well as the number of proxies received from members are added together. If this total is equal or more than the quorum calculated the meeting can be confirmed at quorate and may continue.

Step 5: Once the Compliance Section has verified the membership list, the CID can proceed with calculating the number of votes for each member respectively.

Votes are allocated to members based on the number of properties they own and the municipal valuation of each property. For every R5 million valuation (or part thereof), the member is allocated 1 vote up to a maximum of 10 votes per property. Examples of vote allocation:

1	Member has 1 property with a valuation of R 350 000	1 vote
2	Member has 1 property with a valuation of R3,5 million	1 vote
3	Member has 1 property with a valuation of R5,2 million	2 votes
4	Member has 1 property with a valuation of R9,8 million	2 votes
5	Member has 1 property with a valuation of R10,1 million	3 votes
6	Member has 1 property with a valuation of R50 million	10 votes
7	Member has 1 property with a valuation of R200 million	10 votes
8	Member has 2 properties with valuations of: R 250 000	1 vote
	: R1,1 million	1 vote
	Total	2 votes
9	Member has 3 properties with valuations of: R 25 million	5 votes
	: R7,9 million	2 votes
	: R15,1 million	4 votes
	Total	11 votes
10	Member has 15 properties of R800 000 each	15 votes

The CID Compliance Section must ensure that CIDs finalise their vote allocation per member before the AGM to avoid unnecessary delays to the start of the meeting.

Step 6: When members` register for the meeting the CID must make members aware of their payment status with the City (If in good standing - can vote) and the number of votes they have (present and by proxy).