



## SETTLEMENT AGREEMENT IN TERMS OF SECTION 47 OF THE COMMUNITY SCHEMES OMBUD SERVICE ACT NO 9 OF 2011

Reference Number: CSOS - 653/WC/17

In the matter between:

**DR JOHANNES GEORGE COETZEE**  
**APPLICANT**

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And

**PERMANENT TRUST PROPERTY GROUP**  
**RESPONDENT**

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### 1. SUMMARY OF DISPUTE

The Community Schemes Ombud Service received an application for dispute resolution from the Dr Johannes Coetzee (Applicant) alleging the following against the Respondent:

- On or about 24 January 2017, the Respondent, on instruction from the then chairperson of the Ocean Terraces Body Corporate, made a payment to the Applicant in anticipation of the settlement of a claim submitted to the insurers of the Body Corporate on account of a leak in the unit of the Applicant. It is common cause that the payment was made prior to the payment having been received from the insurers.
- The payment was made in contravention of, inter alia, the Sectional Titles Schemes Management Act of 2011 and the mandate agreement between the Respondent and the Ocean Terraces Body Corporate as it did not contain the requisite approving signatures, was made by way of a loan when loans are prohibited and was made for a purpose not sanctioned by law;
- This unlawful payment is an example of a number of incidents of this nature that have occurred over the years that the Respondent has managed the Ocean Terraces Body Corporate and no acknowledgement of wrongdoing has ever been forthcoming from the Respondent.

### 2. SETTLEMENT AGREEMENT

During the Adjudication Hearing held on 3 May 2018 the parties agreed as follows:

Three handwritten signatures in black ink are located in the bottom right corner of the page. The signatures are stylized and appear to be written in cursive or a similar fluid script.

- The Respondent unconditionally acknowledges that the payment to the Applicant in this matter should not have been made in the manner it was and that the unquestioned following of instructions from the chairperson in making such payment was in contravention of its mandate and the Sectional Titles Schemes Management Act.
- The Applicant may, to the extent he wishes to, make this settlement and acknowledgement by the Respondent known to the trustees and members of the Body Corporate of Ocean Terraces.
- The Respondent undertakes to advise all of its staff members, the National Association of Management Agents (of which it is a member) and the Estate Agents Affairs Board of the transgression recorded herein such that it may serve as a warning and education to managing agents and their staff.

Name: J. G. COETZEE Signature [Signature] (Applicant) – Date: 3/5/2018

Name: William Coy Signature [Signature] (Respondent) - Date: 2018/05/03

Confirmed by: Hannchen Louw Signature [Signature] (Conciliator)

Date: 3 May 2018

