



CSL

COMMUNITY SCHEMES LEGAL

Legal Expense Insurance For Community Schemes

Administrator: Insuresense Consultants (Pty) Ltd, an authorised financial services provider (FSP 47115). Underwriter: GENRIC Insurance Company Limited, an authorised financial services provider and registered Short-Term Insurer (FSP 43638).



What is Community Schemes Legal?

Community Schemes Legal (CSL) is a short-term insurance policy that provides a legal expense insurance solution which has specifically been designed for the needs of Community Schemes. The CSL policy is administered by Insuresense Consultants (Pty) Ltd (FSP47115) and underwritten by GENRIC Insurance Company Limited (FSP43638), a registered Short-Term Insurer. Insuresense Consultants and GENRIC Insurance are authorised financial services providers.



**Legal services can
cost an arm and a leg,
but not with CSL**



**A complex
legal matter
can be financially
devastating**



Facing the real challenges

There has been a significant increase in Community Scheme regulation in the past couple of years which has made it increasingly complex and expensive for Community Schemes to comply and operate in this strictly regulated environment. Community Schemes are constantly confronted with legal and regulatory issues, governance documentation amendments (MOI, Rules, etc.), dispute and dispute resolution procedures, conclusion of agreements and the like, all of which require knowledge and legal expertise to deal with.

The fact is that all Community Schemes need legal assistance at some point in time. The Community Scheme, through its Executives, takes responsibility to ensure that the Community Scheme operates successfully. The executives operate in a regulated environment that can be new and confusing to them. Most Schemes can testify to the value that a commercial or labour lawyer will bring to their business, but for the majority of Community Schemes, retaining the services of a legal expert, is not a commercially viable option. Legal services can cost an arm and a leg and more often than not, Schemes, and eventually the members of the Schemes, are left with the financial burden of hefty legal expenses. A complex legal matter can be financially devastating.

But the good news is, there is a solution to this problem – **CSL**.

CSL offers a comprehensive and very powerful legal expense insurance product to Community Schemes through a uniquely designed short-term insurance policy. The product addresses the fast-growing and urgent demand for the legal protection and empowerment of Community Schemes. A CSL policy therefore makes perfect sense.

Make a decision today that could one day make a huge difference to the financial future of your Community Scheme. When that legal situation arises, don't be left standing there, thinking: "If only...!". Contact us today for further information about the CSL policy benefits.

Who can take out a CSL Policy?

All Community Schemes (Sectional Title Schemes, Residential Security Estates, Retirement Villages, etc.)

How much will the CSL policy cost your community?

The monthly premium is R15,00 per unit in your community per month for legal services cover to the value of R300 000 per case (claim).

This affordable premium offers a comprehensive safety net for your Community Scheme. You have peace of mind, knowing that you can count on the support of a powerful professional network should you have any legal issues.

Our premiums are reviewed annually.

How to apply for a policy?

We understand how busy you are so we have made it as simple as possible to join CSL:

- You can complete a policy application with an accredited broker
- Call Insuresense Consultants on **012 665 2500** for further information
- Submit an enquiry for information or request a call back on our website www.communitylegal.co.za

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What can CSL offer your community?

Your CSL policy opens the door to over 2500 practising lawyers (“legal practitioners”) and entitles your Community Scheme to legal advice as well as legal representation and assistance with litigation in any court or forum anywhere in South Africa. The policy provides:

- Legal services and legal expense insurance to Community Schemes
- Cover for legal services to the value of R300 000 per case
- Comprehensive legal support and advisory services
- A one-stop, peace-of-mind legal service
- Advice on legal matters related to Community Schemes
- Assistance with litigation and legal representation in the High Court, Lower Courts and other Forums
- Collection of arrear levies and litigation relating thereto
- Assistance with Community Schemes Ombud applications
- Assistance with governance and compliance issues
- Assistance with dispute resolution and arbitration

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- Assistance with labour matters
- Preparation and drafting of employment agreements
- Assistance with general legal matters
- Written legal opinions
- Preparation and drafting of commercial agreements
- Preparation and drafting of agreements with suppliers and service providers
- Assistance with contractual disputes
- Access to our web-based, legal library, which keeps you updated on news and developments within the industry
- Access to additional value-added services to the Community Scheme as well as individual members as described on page 15 hereof.

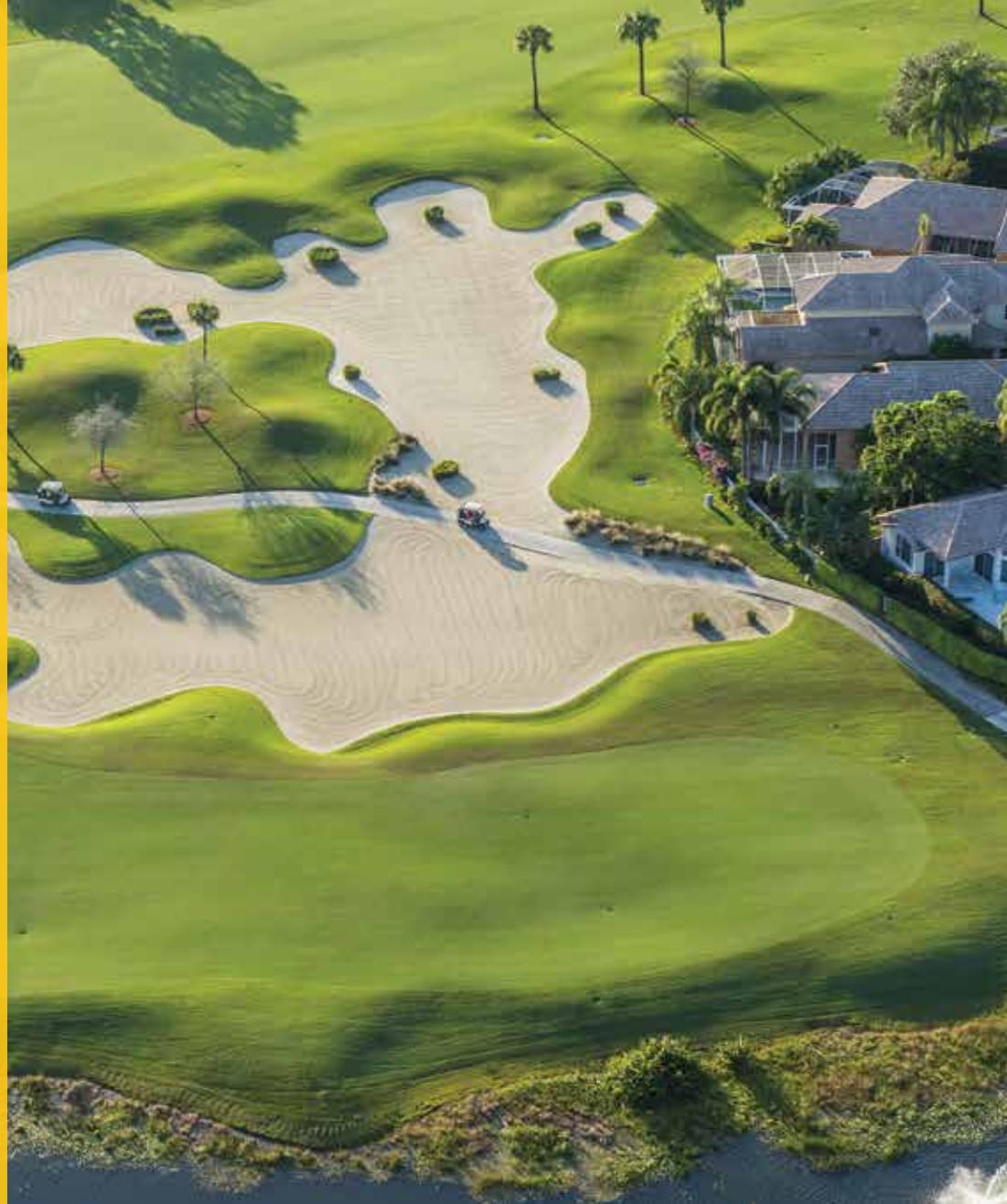
Services under the CSL policy are provided by a specially vetted, pre-selected panel of top practicing lawyers (“legal practitioners”) with more than 5 years’ experience, utilised in their areas of expertise. NO Paralegals are engaged to provide any services under the CSL policy.

Only the Community Scheme itself, as the CSL policyholder, is insured under the policy and entitled to access to the benefits provided in terms of the policy. Individual members of the Community Scheme are not entitled to access those benefits in their individual or personal capacities except for access to the value-added services as described on page 15 hereof.

Are you aware of your responsibilities in terms of the Community Schemes Ombud Service Act (CSOS Act):

In terms of the CSOS Act, Executives of your Community Scheme are obliged to:

- Take reasonable steps to understand, inform and educate themselves about the Community Scheme, its affairs and activities, as well as the legislation and governance documentation in terms of which the Community Scheme operates
- Exercise an independent opinion with respect to all matters to be decided by them
- Comply with fiduciary obligations in terms of the common law and / or applicable legislation



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Our CSL Policy provides cover for comprehensive legal services

A CSL policy covers the policyholder (the Community Scheme) for legal advice, litigation and representation, nationwide, to the value of R300 000 per case (claim), in respect of the following matters:

Governance and Compliance:

Compliance with the below-mentioned legislation regarding the following aspects applicable to the Community Scheme:

- Memorandum of Incorporation / Constitution
- Home Owners Association (HOA) and Body Corporate Rules
- Management Rules / Conduct Rules / Use Agreements
- Exclusive use areas
- Directors', Trustees' appointments, removals and/or discharges
- Dispute resolution processes

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Applicable Legislation (as amended from time to time):

- Protection of Personal Information Act, No. 4 of 2013 ("POPI")
- Basic Conditions of Employment Act, No. 11 of 2002
- Labour Relations Act, No. 127 of 1998
- Promotion of Access to Information Act, No. 2 of 2000 ("PAIA")
- Community Schemes Ombud Service Act, No. 9 of 2011 ("CSOS Act")
- CSOS Act Regulations
- Companies Act, No. 71 of 2008
- Sectional Titles Schemes Management Act, No. 8 of 2011 ("STSMA")
- STSMA Regulations
- Sectional Titles Act, No. 95 of 1986 ("STA")
- Older Persons Act, No. 13 of 2006
- Housing Development Schemes for Retired Persons Act, No. 65 of 1988 ("Retirement Act")
- Share Blocks Control Act, No. 59 of 1980.

Dispute Resolution and Ombud Services:

- Enforcement of legislation and rules
- Dispute resolution procedures in terms of legislation or governance documentation

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- Community Schemes Ombud Service processes and compliance requirements
- Applications to the Community Schemes Ombud Service concerning any competent orders provided for in terms of Section 39 of the CSOS Act in respect of:
 - Financial issues - e.g. incorrect or unreasonable levies
 - Behavioral issues - e.g. noise, parking issues
 - Governance matters - e.g. rules and regulations
 - Meetings - in respect of the conduct of AGM's
 - Management services - appointment and conduct of managing agents
 - Private areas and common areas - e.g. repairs and maintenance
 - General and other issues - e.g. lack of access to information

General Civil Law Matters

- Letters of demand or responses thereto
- Pre-litigation correspondence relating to civil or commercial litigation
- Access to our web-based, legal library including reference to relevant case law
- Opinions and advice regarding contractual provisions and disputes
- Civil claims by and against the Insured relating to the following:
 - Damage to property
 - Guarantee and warranty claims
 - Disputes with suppliers and service providers
 - Public liability claims
 - Arrear levy collection and litigation related thereto
 - Disputes with insurance companies
 - Delictual claims against the Insured arising from damages, injury or death on the

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- common property or utilisation of the common property amenities
- Health and Safety – limited to legal issues
- Interdicts – limited to R50 000 per case
- Urgent applications – limited to R50 000 per case
- Advice on Commercial Agreements which includes:
 - Supplier Agreements in respect of essential services (i.e. water, electricity, gas, etc)
 - Service Level Agreements with service providers (i.e. security services, managing agents, garden services, metering company, elevator services, etc)
 - Purchase and Sale Agreements pertaining to immovable property, goods, equipment and services.

Labour Law

- Preparation and drafting of employment contracts
- Drafting of charge sheets for disciplinary hearings
- Drafting of warnings and notices of disciplinary hearings
- Drafting of counselling notification
- Chairing of counselling sessions
- Comprehensive labour and industrial relations assistance
- Chairing of disciplinary hearings of a serious nature, where the outcome might lead to dismissal
- Chairing of appeal hearings of a serious nature, where the outcome might lead to dismissal
- Advice with regard to grievance procedures
- Advice regarding retrenchment procedures

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- Guidance and assistance with retrenchment process
- Correspondence relating to labour litigation
- CCMA assistance and representation
- Review applications
- Assistance regarding enforcement applications.

Criminal Law Matters

Criminal defence of:

- The Executives of the Community Scheme arising from their appointment/election to the office of the Executive Body
- Employees of the Community Scheme arising from their scope of employment.

Additional Value-Added Services avail- able to your Community Scheme*

- Free access to our web-based, legal library with applicable legislation, newsletters, including precedents of basic governance documents (i.e., notice of meetings, agenda's and resolutions, etc.)
- Reduced and discounted fees for Community Schemes in respect of legal services

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where specific terms and conditions will apply and which may vary:

- Advice, formulation and drafting of general governance and compliance documentation in order to comply with legislation and regulations applicable to the Community Scheme with reference to the Common Law, Companies Act, STA, STSMA and CSOS Act
- 10% Discount on Compliance Action Plan Reports by participating and approved service providers
- Discount on valuations undertaken by the Community Scheme.

Value-Added Services available to the members of your Community Scheme*

Reduced and discounted fees for members of the Community Scheme in respect of legal services where specific terms and conditions will apply and which may vary:

- Discount of up to 50% on executor's fees in respect of the administration of deceased estates
- Discount of up to 30% on transfer fees in respect of the purchase and sale of immovable property by a member
- Discount of up to 50% on fees payable for notarial attestation of documents
- Discount on valuations undertaken by a member.

**The legal fees and disbursements ("fees") associated with the value-added services shall be for the policy holder's/member's account and the discounts shall only be applicable if the policy holder/member uses legal practitioners that form part of the CSL panel of legal practitioners and service providers.*

The CSL Policy Excludes:

- Indemnification of the Insured in respect of payment of claims or damages awarded against the Insured in legal proceedings.
- Any order in legal proceedings, made in respect of legal expenses, in favour of the Insured's opponent and / or any other party in such proceedings.
- The payment of any fine, penalty, tax, levy, surety, any witness fee, any costs pertaining to expert witnesses and expert witness reports, travelling or subsistence costs, any payment or reimbursement of money to the Insured, of whatever nature.
- Insured Matters that occurred outside the borders of the Republic of South Africa.
- Disputes with local authorities concerning services where dispute resolution processes apply.
- Events or circumstances which had commenced or occurred or where the cause or grounds of action in respect of those events or circumstances arose prior to inception of the policy or within the 3-month waiting period.
- Claims instituted after 90 days from the date of the occurrence of an insured matter or from the date that the Insured became aware of an occurrence of an insured matter or a claim against it that falls within the ambit of an insured matter.
- Matters that are purely administrative in nature.
- Matters relating to:
 - Business-rescue proceedings
 - Liquidation proceedings
 - Investment and pension/provident fund disputes
 - Citizenship related legal problems of the Insured's employees
 - Municipal services and water, electricity and rates account problems
 - Small Claims Court matters
 - SABC licenses
 - Land claims
 - Constitutional Court proceedings.
- Any act or activity pertaining to political activity / riot, civil commotion, labour riot/strike/lockout or public

disorder.

- Ionising radiation or contamination by radioactivity from an irradiated nuclear fuel or any nuclear waste from the combustion of nuclear fuel.
 - The radioactive, toxic, explosive or other hazardous properties of any nuclear assembly or nuclear component thereof.
 - War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, riot, rebellion; revolution, insurrection, military or usurped power, or confiscation or nationalisation or compulsory purchase, requisition, destruction of or restrictions or controls placed on or damage to property by or under the order of any government or public or local authority.
 - This Policy and all actions, whether actual or contemplated, brought against the Insurer and / or Insuresense Consultants by the Insured.
 - Matters that are, in the sole opinion of Insuresense Consultants, trivial.
- Claims or disputes with a monetary value below R 5000 (five thousand Rand).
 - Any legal services required after the Insured's maximum annual benefit has been reached.
 - All matters not specifically included in the definition of "Insured Matters" as defined in this policy.

Contact CSL

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PO Box 1878, Wingate Park, Pretoria, 0153.

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Information in this brochure is a summary of the CSL product benefits, terms and conditions. This document is for information purposes only and does not replace the contents of the policy document issued by Insuresense Consultants (Pty) Ltd and GENRIC Insurance Company Ltd. The policy document forms the basis of the benefits, terms and conditions and exclusions at all times. Terms and conditions apply.

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For more information visit www.communitylegal.co.za

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