Annexure "A"

1. Declaring that the performance of the steps involved in the process of transfer of ownership of immoveable property ('the transfer process') in accordance with the model described more fully in the founding affidavit, and pursuant to which the Applicant performs the steps in the transfer process identified in schedule '**FA4B**' hereto, does or would not:

   1.1. Contravene or otherwise fall foul of:

      1.1.1. s83(8)(a)(i) of the Attorneys Act 53 of 1979;

      1.1.2. s33(3) of the Legal Practice Act 28 of 2014;

      1.1.3. s15 and 15A of the Deeds Registries Act 47 of 1937 ('the Deeds Registries Act'); or

      1.1.4. Regulations 43(1), 44(1) and 44A of the regulations made under the Deeds Registries Act and published in GN474 of 1963.

   1.2. Otherwise constitute the performance by the Applicant of conveyancing work reserved by law to an attorney or conveyancer.

2. Directing that the costs of this application be paid only by those Respondents which oppose the relief sought herein and in the event that there is opposition by more than one Respondent, such Respondents shall be liable for costs on a joint and several basis, such costs to include the costs of two counsel.

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Schedule FA4B

Schedule of tasks performed by the Applicant in a TYPICAL transfer of immovable property

	TASKS	REMARKS	CROSS REF. TO FA4A
	PRIOR TO CONCLUSION OF THE DEED OF SALE	Proxi's tasks commence from receipt of Proxi's Administration Services Appointment from the seller. This could occur prior to the deed of sale being signed by seller and purchaser.	
1	Proxi contacts the seller to obtain: a. A copy of the seller's identity document, b. Proof of the seller's matrimonial status, c. Other details which could expedite the transfer process once the deed of sale is delivered. These could include FICA documents, tax documentation and banking details, d. Information regarding a mortgage bond over the property. Proxi will notify the seller of the benefits of providing the mortgagee bank with notice of cancellation of the existing mortgage to avoid penalties arising from insufficient notice of cancellation to the mortgagee bank.		1
2	In the event that the seller requests it, Proxi provides preliminary notice to the mortgagee		2

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	bank as discussed at 1.d.		
3	Proxi opens a transfer administration file on its system in anticipation of receiving the signed deed of sale. This involves Proxi performing: a. an electronic search (available to the public through various websites) on the property and seller and providing feedback to the estate agent if variances are found between the information provided by the seller in the Administration Services Appointment and Proxi's searches, b. creating an electronic FICA file of the seller's information, c. capturing seller and property details into the Proxi administration software capture fields of Proxi's process administration software, d.	Regarding 3.b. Proxi is an 'accountable institution' for FICA purposes. (Schedule 1.12 to Act 38 of 2001). Regarding 3.c. The process administration software to be used by Proxi will not permit Proxi to perform any Reserved Work.	3
4	If the estate agency has captured buyer, seller or property-related information into the estate agency's transaction management software, then that data will populate Proxi's process administration software capture fields by virtue of an API (i.e. an electronic interface) with Proxi. Proxi automatically verifies the estate agency-captured information, and will follow up with the estate agency in the event of inconsistencies in information. Thus any issues in connection with the details of the identity of the seller or the property are resolved in advance of the sale,	Estate agencies often capture client and property details on their office IT systems. This data can be utilised to populate Proxi's data capture fields via a software interface between Proxi's software and the estate agency software. Note: an API is an Application Programming Interface which allows one	4

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	mitigating lost time later on.	product or service to 'talk to' another product or service over the internet.	
	AFTER DEED OF SALE IS RECEIVED FROM ESTATE AGENCY		
5	A senior staff member at Proxi will: a. study the deed of sale and establish the transaction timeline, potential bottlenecks and critical path ('the transfer program') leading up to the agreed transfer date recorded in the deed of sale, b. program each step in the transaction into Proxi's work flow management system to ensure that each task is completed on time thereby assisting the 'linked conveyancer' (see the adjacent note) performing the Reserved Work to procure timeous registration of transfer. c. upload a copy of the deed of sale, Proxi's Administration Services Appointment, the transfer program and the purchaser and / or seller's FICA information to the e-HUB where the conveyancer performing the Reserved Work for the transfer and conveyancers performing linked (related) registrations will be given access to view or download documentation as applicable to their tasks and responsibilities in the transaction.	Regarding 5.a & b. Proxi will employ suitably experienced individuals to review the deeds of sale and program the sequence of the transfer documented in the deed of sale. Regarding 5.c. Proxi will provide a secure server on which it will house, in a document repository, transaction-specific information to be shared on a permissions basis with the 'linked conveyancers' appointed to register transfer and cancel or register bonds. 'Linked conveyancers' include the conveyancer operating under a Legal Services Instruction, the conveyancer appointed by the bank to register the bank's mortgage ('the bond attorney') or the conveyancer instructed by the current mortgagee bank	5

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		to cancel the existing mortgage ('the bond cancellation attorney'). The server is referred to as the 'e-HUB' in this document.	
6	As early as possible in the transfer process, Proxi contacts the local authority and / or body corporate for rates and / or levy clearance figures.	Body corporates are approached for levy assessment should the property be part of a sectional title scheme. Different municipalities require different supporting documents when applying for rates clearance figures so it might not be possible to apply for figures at this stage in each case. If not, then it will be done as early as possible but preferably not later than the stage set out at para 20 below.	6
7	Proxi receives rates and / or levy clearance figures and a calculation is performed to prorate what is due between seller and purchaser based on the projected transfer or occupation date.	The parties are each responsible for a portion of the clearance sum.	7
8	Proxi calculates the financial effects of the transfer for the purchaser and seller. This information is set out in a pro forma statement of account for each party. The purchaser's pro forma statement of account		8

	sets out, by way of illustration, the amount due to Proxi for its administration fee; amounts due to SARS for transfer duty and to the local authority for rates clearance; the deposit payable or paid on account of the purchase price; and the amount for which the purchaser's bond will be registered, if applicable. The seller's pro forma statement includes, by way of illustration, amounts due by the seller such as the estate agency's commission and an amount to settle the existing home loan. The pro forma statement to the seller ensures that the seller's obligations are adequately covered from the proceeds of sale, failing which Proxi asks the seller to make a payment equivalent to the shortfall into the seller's client investment account. (See the Remarks column relating to para 9 below for further detail in regard to the investment accounts opened in the name of the buyer and seller respectively)		
9	Proxi will prepare communications to: a. the conveyancer appointed by the seller to perform the Reserved Work in terms of a Legal Services Instruction granted to the conveyancer directly from the seller. The communication will advise that Proxi is appointed by the seller to perform administration services in terms of an Administration Services Appointment, confirming that the seller has informed Proxi that the conveyancer is appointed to perform the Reserved Work in terms of the Legal Services Instruction and that the seller has required the transfer to be managed in	If the property is a sectional title unit, a deeds search will be performed by conveyancer performing the Reserved Work to check on real rights of extension for the conveyancer to certify i.t.o S15(B)3	9

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	accordance with the Parallel Mandate Management Agreement in place between the conveyancer and Proxi. The conveyancer will be provided with a password to gain access to the e-HUB on which the captured data source documents will be located. Source documents will include, by way of illustration, identity documents, FICA documents, proof of matrimonial status, Deeds Registry printouts and searches and the like. The transfer program setting out Proxi's service level timings and deliverables will also be located on the e-HUB. The linked conveyancer can then access whatever source documents he or she determines will be useful in preparing the Reserved Work legal documents relating to that particular transfer. b. the purchaser advising that Proxi has been appointed by the seller to perform the Administration Services. Proxi will ask for proof of fulfilment of suspensive conditions and request data source documents such as identity documents and proof of address as part of Proxi's required FICA process. Proxi also sends the purchaser a pro forma statement of account (for further information see para 8 above). Proxi opens a client investment account in the purchaser's name and bank details are sent to the purchaser with a request to pay the amounts reflecting on the pro forma statement of account into the purchaser's client investment account. The purchaser is sent Proxi's banking mandate to sign and return to Proxi containing the purchaser's instructions as to	Proxi operates a client's bank account under authority derived from the client's banking mandate. Proxi's external FSB compliance officer is tasked with regular audits of Proxi's activities under the	

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	how Proxi is to manage the purchaser's funds in processing the transfer together with all disclosures and other aspects as are required in terms of the Financial Services Board's requirements. c. the seller confirming that Proxi has received the seller's instructions to perform the administration services in terms of an Administration Services Appointment and requesting any outstanding source documentation. Proxi sends the seller a pro forma statement of account (see para 8 above) and other information relevant to the transfer. Proxi opens a client investment account in the seller's name and bank details are sent to the seller with a request to pay the amounts reflecting on the pro forma statement of account. The seller is also sent Proxi's banking mandate to sign and return to Proxi containing the seller's instructions as to how Proxi is to manage the seller's funds in processing the transfer and all such disclosures and other requirements of the Financial Services Board. d. the existing mortgagee bank notifying that a sale has been concluded in respect of the property, irrespective of whether or not preliminary notification was given at the stage set out in para 2 above. The mortgagee bank will be asked to instruct its appointed attorneys to cancel the existing mortgage bond and to provide Proxi with copies of the title deed and existing bond and to provide details of the amount required to	banking mandates and Proxi's auditors certify similar matters annually to the FSB. (This is in terms of ss17 and 19 of the Financial Advisors and Intermediary Services Act 37 of 2002) As dealt with more fully in the founding affidavit, several categories of insurance are required – by the relevant banking institutions and the FSB as prerequisites for operating clients' bank accounts.	

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	settle the outstanding home loan. e. the estate agency confirming that Proxi has received the seller's instructions to undertake the administration services in terms of the seller's Administration Services Appointment, that Proxi has received the deed of sale and that it has noted the estate agency's sales commission that is payable against transfer. Arrangements are made as to who will instruct related service providers such as an entomologist, electrical installation inspector and others. Where applicable, the estate agency is asked to supply proof that the purchaser has paid the deposit on account of the purchase price into the estate agency's trust account and to confirm that the deposit will be available when called for before the lodgement date. The estate agency is required to provide its banking details for payment of the sales commission.		
10	Proxi receives copies of the existing title deed, mortgage bond and the bank's mortgage bond cancellation figures with a request for a financial guarantee from a bank to settle the home loan balance against transfer and bond cancellation. These documents and requests come from the mortgage bank via the bond cancellation attorney.		13
11	Proxi uploads copies of the existing title deed, mortgage bond and the bank's mortgage bond cancellation figures to the e-HUB for linked conveyancers to access as and when they consider it useful to do so.		14

12	Proxi receives notification and proof from the estate agency that the purchaser's deposit has been received into the estate agency's trust account, where applicable.		15
13	Proxi notifies the seller that the purchaser's deposit has been received, where applicable.		16
14	Proxi receives notification from the estate agency that the purchaser's bond is approved with a copy of the letter of approval. Proxi requests and receives notification that any other conditions precedent are fulfilled.		17
15	Proxi notifies the seller that the purchaser's bond is approved and that any other conditions precedent are fulfilled.		18
16	Proxi receives a communication from the bond attorney with: a. the amount available on registration of the purchaser's bond, b. a request for a 'fly sheet' (i.e. the draft new title deed for the upcoming transfer.	The fly sheet will be prepared by the conveyancer performing the Reserved Work and will be uploaded to the e-HUB, allowing the bond attorney access thereto.	19
17	Proxi will recheck the amount available on transfer and will advise the bond cancellation attorney of the amount available on transfer to satisfy the bond cancellation figures.	The amount available will be a sum of the proceeds of the purchaser's home loan, purchaser's deposit on account of purchase price, and any further cash contributions. Proxi regularly checks and recalculates the financial position of the transfer to	20

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		ensure that all transaction creditors' claims (including SARS) can be met with the available funds. The transaction financial statements are revised and shared via the e-HUB as new information comes to light.	
18	Proxi notifies the conveyancer performing the Reserved Work that – a. a copy of the existing title deed has been added to the-HUB b. the process administration software capture fields have been populated with additional information that the conveyancer may, at his or her election, use in preparing the transfer documents.		21
19	Proxi liaises with the purchaser and seller to ensure that the costs set out in the pro forma statements of account (see para 8 above) are paid into their respective individual client investment accounts.	In compliance with its regulation by the Financial Services Board as a financial services provider, Proxi ensures that its banking mandate contains the necessary client authority to deal with client funds at all times. Proxi verifies that purchaser and seller monies have been transferred by those parties into their client investment accounts.	29

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20	Rates clearance application documents (some prepared by the conveyancer performing the Reserved Work and loaded by him or her to the e-HUB) are downloaded from the e-HUB by Proxi and sent to the local authority. The sum due to obtain rates clearance is advised by the local authority and paid by Proxi. Where necessary, arrangements are made with the relevant body corporate for payment to the body corporate for levy clearance.	It is intended that rates and levy clearance figures be obtained at the stage set out at para 6 above. If this is not possible, then clearance figures are applied for at this stage. Different local authorities require different supporting documents which has the result that the earliest point at which rates clearance can be applied for differs per local authority.	30
21	Proxi receives rates clearance and /or body corporate clearance documents.		31
22	Proxi prepares a calculation of the transfer duty payable to SARS by the purchaser.		32
23	Proxi submits payment of transfer duty to SARS from the purchaser's client funds account.		33
24	Proxi receives the SARS transfer duty receipt.		34
25	The transfer duty receipt and the rates clearance certificate are forwarded to the conveyancer performing the Reserved Work to place these documents in the lodgement cover relating to the transfer.	If the property is a sectional title unit, then a levy clearance certificate is not lodged, but kept in the office transfer file as proof of payment. To prove settlement of levies, a 'certificate in terms of s 15B(3) of the Sectional Titles Act 95 of 1986' is	35

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		lodged. It is prepared and signed by the conveyancer performing the Reserved Work who certifies that the levies have been paid. The certificate also deals with the developer's real right of extension.	
26	Proxi requests the required financial guarantees (one or more, depending on the circumstances) from the bond attorney.	Common functions of the financial guarantees are to settle the seller's home loan (the relevant guarantee being made payable to the mortgagee bank) and / or to pay the seller the purchase price or balance thereof. These financial guarantees are generally referred to as 'property guarantees' in the conveyancing industry, as they are payable against registration of transfer of a property. There are various possible permutations relating to the number and nature of property guarantees required in and particular property transfer, dependent on factors such as whether there is an existing mortgage bond or whether the purchaser	37

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		purchases for cash.	
27	Proxi receives the required financial guarantee/s from the bond attorney		38
28	Proxi ensures delivery of the financial guarantee to the bond cancellation attorney which is needed to settle the existing bond against the property on transfer.	This will be in response to the bond cancellation attorney's request at 10.	39
29	Proxi enquires whether the proposed lodgement date might present any concerns to linked conveyancers which could delay the transfer date.	Lodgement is the term used to describe presenting the transfer documents at the deeds registry to be examined. Lodgement is Reserved Work and will not be undertaken by Proxi.	40
30	Proxi fields any concerns from the linked conveyancers which if valid, might require a rescheduled lodgement date with new lodgement timetable. Proxi will adjust the lodgement timetable accordingly.	Any prospect of a delayed transfer date is immediately communicated to clients, estate agent and other interested parties	41
31	Proxi will notify the estate agent of the expected lodgement date		42
32	Proxi confirms with the estate agent that all 'peripheral service conditions' have been fulfilled. Proxi also establishes the fees due in respect of any inspections that may be required. The related costs are generally for the seller's account to be settled out of the proceeds of the sale	An example of a peripheral service condition is the provision by the seller of an electrical compliance certificate. The provision of other compliance certificates also falls within this category.	43
33	Proxi receives the peripheral service certificates		44

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	and invoices		
34	Proxi advises the seller of the amounts due for the peripheral service costs and requests the seller's instructions for Proxi to settle these service costs upon transfer		45
35	Proxi recalculates the transaction finances to ensure that there are sufficient funds to settle the peripheral service costs		46
36	Proxi prepares and sends undertakings to peripheral service creditors on the seller's instructions		47
37	Proxi sends pre-lodgement financial statements to the purchaser and seller		48
38	Proxi calls for any funding shortfalls from the purchaser and / or seller	This means that if the sum of the claims of transaction creditors against the seller exceed amounts due to the seller in the transaction at the projected transfer date, then the seller will be asked to deposit additional funds into the seller's client investment account, so that there will then be sufficient funding to meet all required payments on the transfer date from the seller's client investment account on the transfer date. The same applies to the purchaser.	49

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39	Proxi monitors the deposit or transfer of the shortfalls from the purchaser and/or seller into the relevant client investment account.		50
40	Proxi calls for the estate agency to pay the purchaser's deposit into the purchaser's client investment account.	The purchaser's deposit is the deposit on account of the purchase price which is usually 10%, but could be any other amount agreed upon in the deed of sale.	51
41	Should it be necessary to do so, Proxi will request the banking institution at which the relevant investment account is held to issue a financial guarantee (against the proceeds of the purchaser's client investment account) in favour of a particular transaction creditor.	As an example, the bond cancellation attorney cancelling the seller's existing home loan mortgage might require a financial guarantee for the purchaser's deposit against the proceeds of the purchaser's client investment account, payable against transfer.	52
42	The day before the scheduled lodgement date, Proxi will make contact with all linked conveyancers to inform them that the lodgement date is the next day.		53
43	Once the transfer and related documents are lodged, Proxi reports the lodgement to the purchaser, seller and estate agent.		55
44	On hearing from the Reserved Work conveyancer that the batch is available to hand in for registration, Proxi will notify the other linked conveyancers that the batch is available to hand in for registration so that they can obtain		57

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	permission from their clients to hand the relevant documents in for registration.		
45	Proxi will perform final financial calculations, Closing day statements of account are drawn and transaction finances are balanced.		58
46	Proxi will call the linked conveyancers to establish if they are ready to hand in their documents for registration		60
47	If the linked conveyancers are not ready to do so, then the batch of deeds is held over and not handed in for a certain number of days (failing which the batch is rejected).		61
48	If the linked conveyancers are ready to hand in, Proxi communicates with all the linked conveyancers to ensure that the deeds are handed in for registration the following day.		62
49	Proxi informs the conveyancer performing the reserved work that the transfer deeds for registration are to be handed in the following day.		63
50	Proxi informs the conveyancer performing the Reserved Work: a. that the transaction is to be registered the following day; and b. who the linked conveyancers' deeds registry attendees are.	The linked conveyancers might use correspondent attorneys at the deeds registry.	64
51	Upon notification from the conveyancer performing the Reserved Work that the deeds have been registered, Proxi notifies all transaction parties of registration, viz:		67

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	a. seller b. purchaser c. estate agency d. local authority e. body corporate f. others		
52	Notification of registration of transfer by the conveyancer performing the Reserved Work triggers a number of payments to be made pursuant to the financial guarantees issued or undertakings provided.	Payment might be in terms of the financial guarantees mentioned in this document or undertakings, in which casepayments occur directly between the various banks by Electronic Funds Transfer (EFT). If payments are to be made in terms of undertakings given by Proxi in favour of transaction creditors then Proxi makes those payments by EFT from the client's investment account.	68
53	Proxi performs a final accounting to all parties and makes payment of any surplus funds to the owner thereof.	An example is if transfer with simultaneous occupation were delayed and the purchaser contributed rates from the original contractually stipulated transfer date, then in that case the purchaser would have contributed rates in excess of what was required and would be be due a refund.	69

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54	Proxi sends closing statements of account and letters to the purchaser, seller and estate agency recording all receipts and payments made through the transaction.		71
55	Once the title deed is received by Proxi, then dependent on whether the new title deed has a mortgage bond registered over it or not, Proxi will: a. deliver the deed to the mortgagee bank and get acknowledgement of receipt; or b. deliver the deed to the new owner and get acknowledgement of receipt.		73
56	Proxi will make payment of the deeds registry fee		74
57	Proxi will close and archive its transfer administration file		75

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