



# PROJECT FUNDING TOOLKIT

This toolkit is designed to support you in approving and entering into a loan agreement with STS.

**Click on the links** to access additional information, videos, tips, tricks, and templates for smooth navigation. Don't forget, we are just a phone call away and ready to help in any way possible!

## 7 SIMPLE STEPS AWAY FROM FINANCIAL PEACE OF MIND!

**The Sectional Title Schemes Management Act ("ST SMA") and Prescribed Management Rules ("PMR") set out the process which must be followed by the Community Scheme in order to enter into a loan agreement with Sectional Title Solutions:**

### 1 NOTICE OF MEETING

A notice for the AGM / SGM with the proposed resolution will need to be prepared and sent to all unit owners. Alternatively, the Body Corporate may proceed to pass a Special Resolution by way of Round Robin. Please refer to our process breakdown for more info on how to pass a Special Resolution in writing.

**NOTE** As a special resolution to borrow funds is to be put to a vote, unit owners must receive notice at least 30 days prior to the meeting. Shorter notice is possible in certain circumstances.

### 2 QUORUM

Quorum will need to be present at the AGM or SGM before the special resolution can be put to a vote. Remember to consider PMR 20(9)(a) of the ST SMA Regulations where a special resolution is passed at a meeting with less than 50% of all owners present.

### 3 VOTING

Voting cards must be issued for the proposed special resolution and owners must record their details and their vote on the voting card for tallying by the chairman of the meeting.

**NOTE** A special resolution requires 75% of the votes of the unit owners present, or validly represented by proxy at the meeting (in value and in number). When calculating the votes in number, remember that each member gets one vote.

### 4 IMPLEMENTATION OF SPECIAL RESOLUTION

A Trustee meeting will need to follow to implement the special resolution and confirm the 2 Trustees authorised to sign the loan documentation.

### 5 DOCUMENTATION

The required supporting documents can be sent through to STS concurrently to the above, to enable STS to conduct its credit review.

### 6 AGREEMENTS

Loan Agreements, Instruction To Release Funds and other supporting documents are sent to the Trustees for signature on the QS Portal.

### 7 RELEASE FUNDS

Funds are released within 2 working days of receipt of the instruction (provided all documentation has been submitted and approved internally by STS)

## REQUIRED DOCUMENTATION CHECKLIST

- PQ schedule
- Special resolution of the members to enter into the project funding facility with STS, in partnership with BC Funding Solutions.
- Signed minutes of the general meeting wherein the loan was adopted
- Latest Debtors Age Analysis ("DAA")
- Annual financial statements (if available) and/or the latest management report/accounts
- Confirmation of an insurance policy
- Proof of bank details
- Latest municipal accounts
- Trustee Resolution (authorising signatories of loan)
- Identity Documents of the Authorised Representatives
- Managing Agent Fidelity Fund Certificate
- Written confirmation from the Managing Agent that there are no major financial liabilities incurred by the Body Corporate since last financial year-end

## TOOLS AND TEMPLATES

- [↪ Quorum calculator](#)
- [↪ Voting card](#)
- [↪ Notice of meeting](#)
- [↪ Special resolution](#)
- [↪ Trustee resolution](#)
- [↪ Trustee resolution - Notice of urgent SGM](#)
- [↪ Trustee resolution - Urgent implementation](#)
- [↪ Notice of proposed special resolution by round-robin](#)

## HELPFUL GUIDES AND VIDEOS

- [✔ Demystifying the various types of resolutions in community schemes](#)
- [✔ What are the requirements from a body corporate when entering into a loan agreement?](#)
- [✔ Would it still be possible to acquire project funding, even if some unit owners want to be excluded?](#)
- [✔ Why consider a loan from us, rather than a banking institution](#)
- [✔ STS project funding FAQ's](#)
- [✔ Round-robin process infographic](#)
- [✔ Sectional Titles Schemes Management Act, 2011 \(Act No 8 Of 2011\) Sectional Titles Schemes Management Regulations](#)

